



**Shelby County  
Tennessee**

Mark H. Luttrell, Jr. Mayor

# **Request for Proposal**

## **Shelby County Government**

### **Purchasing Department**

160 N. Main, Suite 900  
Memphis, TN 38103

*Issued: July 31, 2014*

**Due: September 5, 2014 no later than 4:00 P.M. (Central Standard Time)**

### **RFP #15-007-09**

### **Banking Services**

### **Shelby County Trustee**

Shelby County Government is soliciting proposals for the provision of professional services to provide Banking Services for the Shelby County Trustee. Information regarding this RFP is located on the County's website at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov). At the top of the home page, click on the links "Department", "P" for the Purchasing Department and "Bids" to locate the name of the above-described RFP.

*A mandatory pre-proposal conference to address your questions will be held Thursday, August 7, 2014, Trustee's Office, 157 Poplar Avenue, 4<sup>th</sup> floor Conference Room @ 2:30 p.m. All interested respondents are required to attend this meeting. If you plan to attend, please contact the Purchasing Department via email @ [bob.brenner@shelbycountyttn.gov](mailto:bob.brenner@shelbycountyttn.gov) to confirm your attendance with a representative's name, company, and contact number. Failure to attend this meeting will result in the rejection of your bid.*

The proposal, as submitted, should include all estimated costs related to the services requested by the RFP specifications. If selected, your proposal will be the basis for negotiating a contract with Shelby County Government. Your proposal must be received in the Shelby County Purchasing Department **no later than 4:00 p.m. on Friday, September 5th, 2014.** Proposals should be addressed to:

**Robert S. Brenner, Buyer**  
Shelby County Government  
Purchasing Department  
160 N. Main St., Suite 900  
Memphis, TN 38103

The package containing an original copy (clearly identified as original) and five (5) copies of your proposal must be sealed and marked with the Proposer's name and "CONFIDENTIAL, BANKING SERVICES, RFP #15-007-09" noted on the outside.

Sincerely,

Robert S. Brenner, Buyer  
Shelby County Government  
Purchasing Department

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**Note: Please download all of the additional information and attachments that accompany this RFP.**

## **SECTION I: INTRODUCTION**

The Shelby County Trustee, acting as the banking agent on behalf of Shelby County Government (“the County”), is seeking bids from qualified Federal Reserve member banks or State of Tennessee chartered banks to provide general banking services for a three (3) year term, and by mutual agreement an additional one (1) year extended term. Expediting cash flows using integrated electronic banking services for optimum cash management is the major focus of county banking activity. This RFP 15-007-09 is intended to cover the operating bank accounts for Shelby County Government, Shelby County Schools, and all elected officials who wish to participate.

This Request for Proposal (“RFP”) is being released to invite interested and qualified banks to prepare and submit proposals in accordance with instructions provided where successful candidate(s) will be selected and invited to enter into a contractual relationship with Shelby County for the services outlined in this RFP. The intent of this RFP is to select banking institution(s) to provide a wide range of financial services to the County. However, the County may also elect to award an agreement to separate bidders for bundled services that provide cost effective solutions for Shelby County banking activity. Finally, in this RFP, the terms Proposer, Consultant, and Bank are used interchangeably unless the context indicates otherwise.

Note: Short-term investments (maturities less than two years) will continue to be placed by a competitive process separate from the services requested in this bid.

## **SECTION II: MINIMUM PROPOSER REQUIREMENTS**

The following is a list of minimum requirements the Bank must meet or exceed in order for the County to accept the bid as responsive. **The Bank’s proposal must contain a written response as to the Bank’s ability to meet each of the following mandatory requirements.** If the Bank does not meet or exceed the following, the bid will be considered non-responsive and will not be evaluated.

1. The Bank must be a Federal or State of Tennessee chartered bank with depository facilities located within Shelby County.
2. The Bank must be an authorized state depository as designated in Tennessee Code Annotated § 9-4-107.
3. The Bank must be a direct participant and an originator in the Automated Clearing House Network. The Bank must conform to the Uniform Commercial Code Article 4A (UCC4A) (Funds Transfer) rules.
4. The Bank must agree that it will not engage in any discrimination on the basis of sex,

race, color, creed, national origin, age (except minimum age and retirement provisions), marital status, sexual orientation, or the presence of any sensory, mental, or physical handicap, in its dealings with the County, the County's employees, or in its dealings with Bank's employees.

5. The County will hold all securities in third-party safekeeping; all custodial systems and records must reflect that securities and cash held by the bank (as custodian for the County) are held in the name of the Shelby County Trustee for the County.
6. The Bank must provide a disaster recovery plan that will provide for continuous delivery of services under the contract.
7. The Bank must confirm in writing its membership in the Tennessee Bank Collateral Pool and if selected, the bank must remain an active member during the entire contract period.
8. The Bank must abide by the Tennessee Code Annotated § 5-8-201 as amended, regarding collateralization of county deposits.
9. The Bank must meet current industry standards for Check 21 quality and format, as adopted by the American Standards Institute (ANSI) and Accredited Standards Committee (ASC).
10. The bank must confirm that it supports receipt and collection of Image Cash Letter (ICL) deposit items transmitted by the Trustee's check image capture application and will accept the Trustee's current ICL file format as described in Attachment I.
11. The Bank must be able to provide the following information in an electronic format: Current Day transactions in BAI file format (by 7:30 am), Current Day and Prior Day on-line files, a daily bank statement, check/warrant image files, information related to debit/credit memos, chargebacks, information pertinent to meeting deadlines related to investing, cash management, positive pay functions, ACH and wire transfer services.
12. The Bank must provide for one central account relationship manager and backup personnel that can be assigned to quickly and efficiently handle critical problems with County accounts.
13. The Bank must be an on-line Fed wire member.
14. The Bank must provide Internet-based on-line processes for ACH and wire transmissions and expedited funds transfers.



15. The Bank must provide a monthly analysis statement to the County by the tenth day of each month containing both a consolidated summary along with individual account details describing the prior month's banking volumes and charges in PDF and Excel spreadsheet formats.
16. The Bank must provide monthly account statements to the County by the tenth day of each month reflecting the prior month's banking activities.
17. The Bank through its on-line banking system or other sources must allow for downloading of bank balances and transaction detail in a CSV or Fixed Width file format. This information to be made available to the Trustee's Treasury Management system from the BAI file (for Current Day and Prior Day activity).
18. The Bank must provide a BAI file daily including all accounts.
19. The Bank must allow for on-line updating of positive pay files either in a bank specified format and through FTP uploads for all of the control disbursement and DDA accounts.
20. File formats are specified (in attachment K) for the ICL transmission files described in the deposits section. ACH files formats should be the NACHA standard (see attachment I). Positive Pay and Reconciliation formats should be flexible enough for the various offices to easily accommodate one of them (samples in attachment J). All other file formats should be customizable by the Bank to match the needs of the specific offices. If there are any file formats that the Bank requires please indicate those where appropriate.

**In addition all Proposers must:**

1. **Apply and qualify** for a vendor number and an Equal Opportunity Compliance (EOC) certification number through our EOC Administration (*see the details outlined in Section VII General Requirement / e. Selection Criteria*) **prior to submitting your response.**
2. Adhere to all Title VI requirements and provide proof/documentation if necessary.
3. Provide proof of the minimum insurance requirements (**MANDATORY**, please review closely).

**Please Note:** *As a part of doing business with Shelby County, each individual, company or organization is required to obtain a vendor number and an "Equal Opportunity Compliance" certification number.*

*You can access the online applications to receive the numbers indicated above at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov). To obtain a vendor number and an EOC number, please follow the instructions below:*

### **Vendor Number (Purchasing Department)**

At the top of the home page, click on the links “Department”, “P” for the Purchasing Department and “Conducting Business with Shelby County”. The “Vendor Registration” link is at the bottom of the drop down box. Please download the application instructions and read thoroughly prior to accessing the application. (*Applications for a vendor number are accepted online only.*)

### **Equal Opportunity Compliance (EOC) Number (EOC Administration Office)**

At the top of the home page, click on the links “Department”, “E” for the Equal Opportunity Compliance and “Contract Compliance Program”. The “Contract Compliance Packet” link is in the middle of the page. Please print the packet and mail or fax the completed packet to the EOC office. The mailing address is 160 N. Main Street, Suite 501, Memphis, TN 38103. The fax number is 901-222-1101.

*If you have any questions regarding the application, you may contact Purchasing at (901) 222-2250 or the EOC Administration at (901) 222-1100.*

## **SECTION III. CORRESPONDENCE**

**All correspondence, proposals and questions concerning the RFP are to be submitted to:**

**Robert S. (Bob) Brenner, Buyer  
Shelby County Government  
160 N. Main St. Suite 900  
Memphis, TN 38103**

Respondents requesting additional information or clarification are to contact Bob Brenner in writing at [bob.brenner@shelbycountyttn.gov](mailto:bob.brenner@shelbycountyttn.gov) or at the address listed above. Questions should reference the section of the RFP to which the question pertains and all contact information for the person submitting the questions. ***IN ORDER TO PREVENT AN UNFAIR ADVANTAGE TO ANY RESPONDENT, VERBAL QUESTIONS WILL NOT BE ANSWERED. The deadline for submitting questions will be August 14, 2014 by 12:00 p.m. (CST).*** These guidelines for communication have been established to ensure a fair and equitable process for all respondents.

***Note: All written questions submitted by the deadline indicated above will be answered and posted on the County’s website at [www.shelbycountyttn.gov](http://www.shelbycountyttn.gov) by noon on August 18, 2014.***

**Please be aware that contact with any other personnel (other than the person clearly identified in this document) within Shelby County regarding this RFP may disqualify your company from further consideration.**

#### **SECTION IV. Proposal Submission Deadline**

All proposals must be received at the address listed above **no later than 4:00 pm on Friday, September 5, 2014**. Facsimile or electronically transmitted proposals will not be accepted since they do not contain original signatures. Postmarks will not be accepted in lieu of actual receipt. Late or incomplete proposals may not be opened and considered. Under no circumstances, regardless of weather conditions, transportation delays, or any other circumstance, will this deadline be extended.

Shelby County reserves the right to modify this timeline at any time. If the due date for proposals is changed, all prospective proposers shall be notified.

<b>Request for Proposals Released</b>	<b>Thursday, July 31, 2014</b>
<b>Mandatory Pre-Proposal Conference</b>	<b>Thursday, August 7, 2014 Trustee's Office @ 157 Poplar Avenue, 4<sup>th</sup> floor Conference Room @ 2:30 p.m.</b>
<b>Proposal Due Date</b>	<b>Friday, September 5, 2014 by 4:00 pm (CST)</b>
<b>Notification of Award</b>	<b>November 2014</b>
<b>Services to Commence</b>	<b>Immediately upon execution of the contract</b>

The County may reproduce any of the proposer's proposal and supporting documents for internal use or for any other purpose required by law.

#### **SECTION V. PROPOSAL CONDITIONS**

##### **A. Contingencies**

This RFP does not commit the County to award a contract. The County reserves the right to accept or reject any or all proposals if the County determines it is in the best interest of the County to do so. The County will notify all Proposers, in writing, if the County rejects all proposals.

##### **B. Modifications**

The County reserves the right to issue addenda or amendments to this RFP.

**C. Proposal Submission**

To be considered, all proposals must be submitted in the manner set forth in this RFP. It is the Proposer's responsibility to ensure that its proposals arrive on or before the specified time.

**D. Incurred Costs**

This RFP does not commit the County to pay any costs incurred in the preparation of a proposal in response to this RFP and the Proposer agrees that all costs incurred in developing this RFP are the Proposer's responsibility.

**E. Final Authority**

The final authority to award a contract rests solely with the Shelby County Board of Commissioners.

**SECTION VI. GENERAL REQUIREMENTS**

**A. Scope of Contract**

The County wishes to engage in a contractual relationship with the best-qualified Bank(s) selected through a competitive process that will work well with the County's personnel in the performance of the services in a manner that is cost-effective and practical. The Bank(s) must be prepared to begin immediately upon receipt of a Notice to Proceed. **The term of the Contract for the Services shall be a period of three (3) years plus an additional year if both parties agree.** The County Commission may cancel the agreement resulting from this proposal for just cause upon sixty (60) days written notice prior to the effective date of the cancellation.

**B. Overview of Banking Activity**

Shelby County was established in 1819 and covers 783 square miles in southwest Tennessee. The County is managed by a mayor-commission form of government under a Home Rule Charter that went into effect on September 1, 1986. The Mayor is elected to a four (4) year term. He is the County's chief executive officer and oversees seven divisions: 1) Administration and Finance 2) Community Services 3) Corrections 4) Health Services 5) Personnel 6) Planning and Development and 7) Public Works. Each division is headed by a director appointed by the Mayor and confirmed by the Board of County Commissioners.

The Board of County Commissioners is the legislative branch of the County comprised of 13 elected members. Their duties include, to mention only a few, adopting an annual

budget, setting the property tax rate, approving appointments, passing ordinances, adopting rules, procedures, and regulations for county purchases and approving contracts of more than \$100,000.

In addition, the citizens of Shelby County elect persons to fill the following offices:

- Chancery Court Clerk
- Circuit Court Clerk
- Criminal Court Clerk
- General Sessions Court Clerk
- Probate Court Clerk
- Juvenile Court Clerk
- Sheriff
- County Clerk
- Register
- Trustee
- Assessor
- Mayor
- 13 Member Shelby County Board of Commissioners

The County has approximately Thirteen (13) zero-balance accounts (with sub-accounts), Three Interest Bearing Depository Accounts and Two (2) Demand Deposit Accounts that are composed of balances held for other county entities. All balances held for general government and elected officials are "pooled" to provide volume discounts. By law, each elected official can choose his/her banking institution. However, the Trustee, as banker for the County, ultimately maintains one "concentration account" which funds multiple controlled disbursement warrant accounts. Warrants (disbursements) from twenty-five (25) separate controlled disbursement accounts are funded from the master concentration account. By definition, warrants are not negotiable instruments. Further, the Shelby County Trustee, who is by law charged with the accounting and disbursing responsibility related to county funds, holds the General Government and the County Schools' operating accounts. Total County deposits exceed \$2.5 billion. Unless otherwise specified, elected officials desire the same services as outlined in this proposal.

In addition to basic depository and disbursement functions, the Shelby County Trustee promotes a cash management strategy to optimize interest earnings, safety and liquidity on account balances. Using a system of zero-balance accounts and controlled disbursement functions, excess balances can be identified daily and invested overnight. Further, as the recipient of all bond proceeds and county tax revenue, the Trustee also oversees the flow of

funds related to these income streams. Daily transactions (i.e. deposits, ACH's, wires) may exceed \$ 500 million.

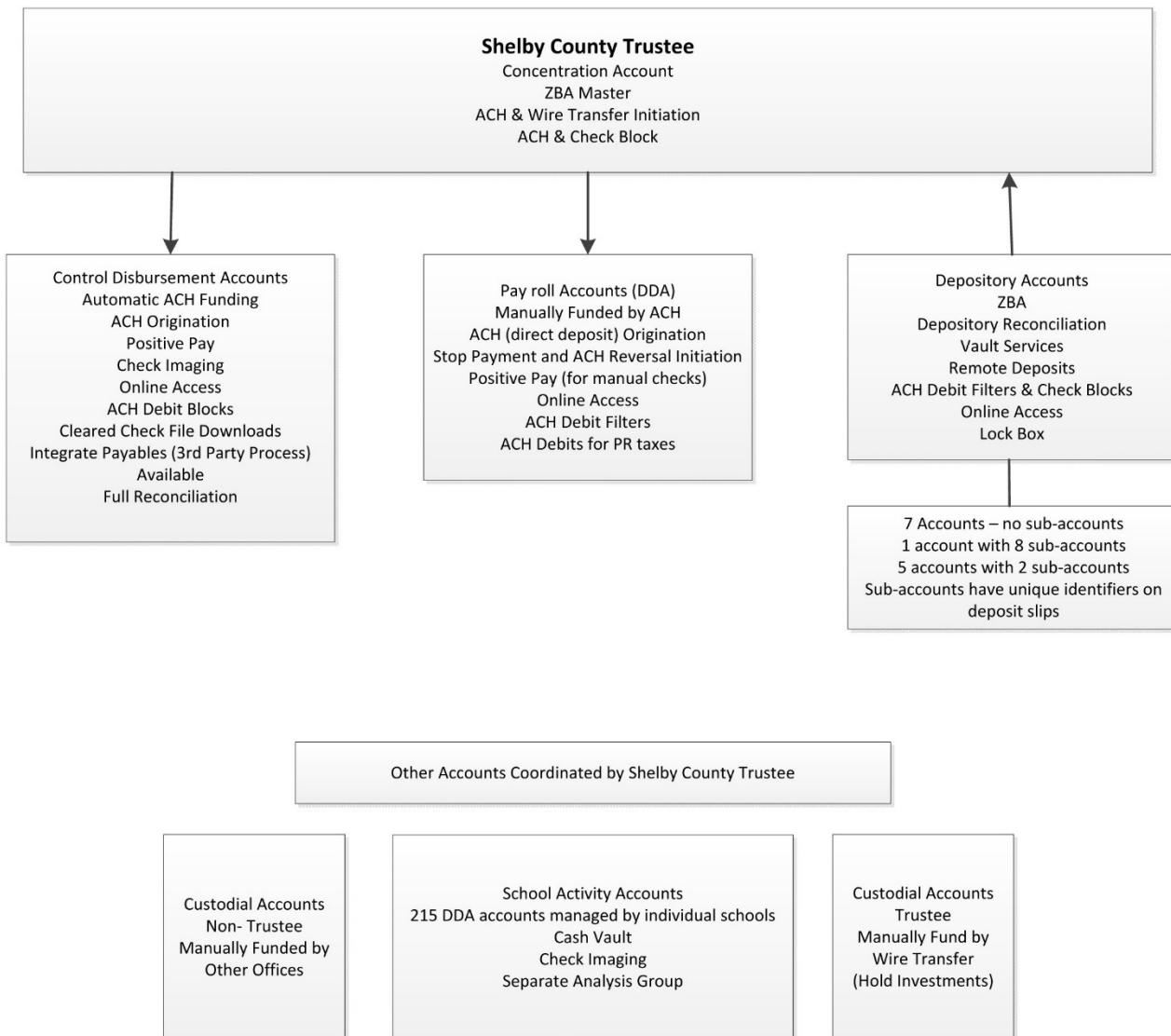
**C. Special School Activity Accounts**

In addition to the accounts managed by the Trustee, there are currently 215 schools in Shelby County with one checking account each. The account is a DDA and activity includes deposit preparation and check disbursement on a daily basis. Deposits are presented with two copies of the deposit slip, with checks bundled and bulk coin bagged separately. Checks are issued and signed by designated school personnel as identified by the Principal. Electronic depository activity is expected to be put in place in the coming months, but as yet is not functional. Services for these school accounts include basic depository services, and online access to view account activity. This activity will not be included in any of the BAI file or consolidated reporting to the Trustee. Pricing of these services should be considered independent of the services for the balance of Shelby County.

**GENERAL INSTRUCTIONS:** Respondents are required to repeat the following questions and provide a complete response in the same order as presented. A computer disk/file containing the bid along with all attachments has been provided for the Bank's convenience. The bid was produced in Microsoft Word 2013 and is stored under the filename "2014BankRFP". The cost proposal attachment was produced in Microsoft Excel 2013 and is referenced as attachment H. Respondents should provide a hard copy of the complete response. Please provide an appropriate reference if material is attached.

**SECTION VII: GENERAL BANKING SERVICES**

Describe the financial institution's ability to provide the following services and to what extent, if any, the service is automated. Please be specific about the level of automation, Internet banking functionality, related security, and time frames for file transmission. Also, provide information on the daily volume processed by the financial institution for all clients, where applicable. The following diagram reflects the banking structure of accounts contained within the Shelby County Trustee's custodial responsibilities. It includes accounts with activities that are managed within the Trustee's concentration funding and accounts that do not. The accounts that are not managed through the Trustee's concentration account are the 'School Activity Accounts'. The characteristics of those accounts are unique and separate from all other county accounts.



## A. Banking Structure

### DEPOSIT ACCOUNT STRUCTURE

1. Can the bank establish as many as Eighteen (18) zero-balance accounts (with sub accounts) for incoming deposits and credits and Eight (8) demand deposit accounts, which are pooled together for analysis purposes? Volume of activity is provided in attachment H. (Note: The Trustee reserves the right to add and delete accounts without penalty.)

2. Please specify the documentation needed to establish the account structure described in #2.
3. How many sub-accounts can be tied to a main account? Describe any limitations or potential problem areas.
4. Please describe the monthly charges incurred for a single DDA account (include the per item charges in attachment H).
5. Please specify the documentation needed to establish a single DDA account.
6. Can the bank accommodate the School Activity Accounts as referenced above? Approximately 215 DDA's with separate costs and a separate group analysis. Please reflect costs in attachment H.
7. Does the bank offer other types of public funds depository accounts that would meet the requirements as provided in this document? If so, please describe the advantages, the limitations, the charges, interest bearing, and the required documentation for such accounts.
8. Does the bank offer less expensive alternatives to the account structure shown above – while meeting the same requirement as provided?

#### ACCOUNT RECONCILIATION

1. Does the bank offer account reconciliation services? Describe how the service works in general and how the County can use it. Please provide unit costs/charges associated with these services in the cost section – attachment H.
2. Describe the available output media (i.e. hard copy statement, Website/on-line, CD, file download, etc.) associated with deposit reconciliation services. Please note that the County now requires daily files transmitted in a BAI format. Please provide unit costs for each type of output media.
  - a. Can the bank provide a text file or a Comma Delimited (CSV) file? Provide file formats and expected time frames for file availability.
  - b. Can the information be retrieved via an on-line Internet banking website?
  - c. Can the Bank provide this information on a daily basis? A monthly basis?
  - d. Can the information be provided in detail? In summary?
3. Please provide samples of all items reference in #2 a-d.



4. Within how many business days of month end can the Trustee expect to receive reconciliation?
5. How far back are copies of checks available on-line and how long does it take to get an electronic image which is not available on-line (i.e. fax, e-mail, etc.)? If possible, please specify the costs related to images being available for extended periods of time on-line in the cost section – attachment H.

COLLATERAL:

1. Please provide the following information:
  - a. A copy of the acknowledgment letter from the State of Tennessee Collateral Pool Board confirming the Bank's membership status.
  - b. The Annual Management Certification submitted on or before 3/31/2014.
2. Will the bank notify the County directly through written notice in the event of the withdrawal from the Pool, either voluntarily or required, at least one hundred eighty (180) days prior to the actual withdrawal?

For additional information regarding the requirements of the Tennessee Local Government Collateral Pool, please see <http://treasury.tn.gov/bank/index.html>.

**B. Deposits**

The County makes deposits throughout the day. There are several methods used to direct deposits to bank which are detailed in this section. The County currently contracts directly with an armored courier service to provide pickup and delivery of deposits. These deposits originate from approximately Twenty-five (25) different County entities. Most deposits are delivered via armored courier service to the Bank's central vault or Operations Center. Other deposits may also be delivered to various branch locations. A deposit may include both cash and checks on a single deposit ticket. Deposits and deposited item images are available for review on-line. The offices use serial numbered plastic disposable bags. The Sheriff's Office currently uses night depository services at two locations.

The county currently makes deposits through the transmission of ANSI X9.37 files which are converted to ACH or ICL by the bank. The Trustee makes extensive use of ACH file transmissions including files containing ARC and WEB entry detail records. The Trustee transmits 3 – 5 ACH files each day and each file contains less than 1,000 items. In

addition, the Shelby County Register creates a daily ACH file with approximately fifty (50) ACH debit records for the purpose of collecting payments.

Alternative methods of handling cash and check deposits – such as ‘Remote Deposit check scanning’ and on-site ‘Bill Validating Safes’ are either being utilized or in the process of being set up at a number of the offices having significant deposit activity.

The number of deposits made each month for most offices does not vary greatly; however, seasonal fluctuations may affect the number of items and the dollar amounts deposited. Such variations may be attributed to changes in collection activities regarding tax collections, due dates, delinquent dates, and mortgage company payments. (For a listing of average daily ledger balances, refer to Attachment E.)

Based on averages for the period from May 2013 through April 2014, the County makes approximately 4,361 deposits each month and the deposit items can be segregated into the following categories:

		<b>Mo. Avg.</b>	<b>Yr. Avg</b>
<b>1)</b>	Local Clearing	2%	1,292
<b>2)</b>	“On Us”	16%	10,421
<b>3)</b>	Regional Check Processing	17%	11,277
<b>4)</b>	Other Fed Districts	51%	34,032
<b>5)</b>	ICL	14%	9,280
		<b>100%</b>	<b>66,302</b>
			<b>795,625</b>

Availability of collected funds is currently determined on the following schedule:

Coins and U. S. currency	Same day
Items drawn on the depository	Same day
Wire transfer	Same day
Intraday ACH credits to accts	Same day
ACH files transmitted by 6:00 pm	Same day
Virtual Vault	Same day
ICL	Federal Reserve Availability Schedule
Other items	Federal Reserve Availability Schedule

Some County offices request that returned check/NSF items be automatically deposited a second time as a standard procedure. Notification should be made within 48 hours. Returned items should also be available on-line the next business day. Returned items in excess of \$25,000.00 should be immediately reported to the Trustee via email.

**Please provide your response to the following questions:**

**Funds Availability:**

1. Can the Bank meet the availability schedule provided above? Can the bank provide a faster schedule? It is expected that when actual availability surpasses the published schedule, the expedited availability will be passed on to the Trustee.
2. Provide an availability and/or collected funds schedule as an attachment. The schedule should, at a minimum, be the availability granted by the Federal Reserve.
3. What, if any, are the time and location constraints for checks deposited by courier, by electronic file and at a local branch to receive availability and collected status according to the schedule provided above?
4. Can the Bank provide a later deadline for large checks and can the Trustee receive same-day credit at a later deadline? Provide any time constraints or limitations that apply including limitations regarding specific branches or processing locations.
5. Will checks drawn on the Bank (either locally or regionally) receive same-day collected status? Provide any time constraints, geographic limitations, or any other limitations.
6. Does the Bank provide an analysis of float on checks deposited or a study of cash concentration to ensure funds are receiving availability according to the schedule provided above? Provide a sample of the information included in such an analysis or study.
7. Does the Bank offer an intra-day recap of deposit availability?
8. Do credits post before debits?
9. Specify the bank branches that can accept a deposit after 4:30 p.m. Beside each location, please indicate the closing time for that branch.
10. How is funds availability calculated (i.e. by item or by formula)?

**Deposits - Paper Checks & Currency Processing:**

1. Please specify the type of deposit bags used by the bank (i.e. plastic, canvas, etc.)? How are these bags obtained? What documentation is required? Please specify any costs in attachment H.

2. Does the Bank have any restrictions on deposit preparation for cash straps or loose coins? Please specify.
3. Does the bank require checks and currency to be on separate deposit tickets?
4. Does the bank provide cash straps and coin wrappers at no cost? If not, please specify the charges for these supplies in the cost section - attachment H.
5. Does the Bank have any restrictions on the requirements for depositing checks? Are there limits to batch sizes? What is the limit, if any, on the number of deposit tickets that can be included in one deposit bag?
6. Do prices differ if deposits are made at a branch versus at a central vault verses other means (i.e. bill validating safe)?
7. Will branch deposits be processed on-line, real time for automatic access by the County for wire transfer purposes? Will those deposits be visible to bank cashiers as well as the County?
8. Does the County order deposit tickets through the bank or directly from the vendor? How are charges handled?
9. Does the bank accept deposit tickets from a third-party printer? List any limitations and attach a specification sheet.
10. How many copies of each deposit ticket does the bank require?
11. Can the bank restrict the ordering of deposit tickets so that only requests from the Shelby County Trustee can be processed?
12. What specific requirements does the Bank have for deposits delivered by armored car? What are the time constraints for same-day credit? Is the facility local?
13. Please list the address of the branches nearest to 157 Poplar Ave. that can be used to make over-the-counter deposits. If you do not have a branch near this location please describe how daily deposits should be made.
14. What is the latest time of day that an over-the-counter deposit can be made at one of the branches listed in #13 above for same-day ledger credit?

15. Please provide a complete listing of all branch locations in Shelby County along with their hours of operation.
16. Does the bank use a third party to process deposits? If so, provide the address where the cash deposits must be delivered. Show alternate addresses if there is a choice.
17. Are there different charges for cash deposits vs. check deposits? If so, explain and include costs in the cost section – attachment H.
18. Identify the locations to obtain the coin and currency.
19. Does the bank require notice in advance before coin and currency is picked up from a bank branch? If so, briefly discuss the notice requirements.
20. Are there any limitations or restrictions associated with providing cash and currency, such as minimum or maximum sizes of orders? Please specify.
21. Describe how coin and currency orders will be priced and the timeframe for delivery.

Deposits – Image Exchange ANSI X9.37 File (Minimum Bid Requirement)

1. **Does the bank currently accept from its customers an “Image Exchange” file or an “Image Cash Letter” that utilizes an ANSI X9.37 file format for check clearing purposes? How long has the service been available? How many clients presently use this service?**
2. Does the bank accept an image exchange file and process the items as ACH or ICL based lowest cost available on each given item?
3. Please give the name of the bank’s Settlement Partner(s) and indicate why the provider(s) was chosen.
4. Please describe the transmission deadlines for same day credit.
5. Please describe the transmission deadlines for next day credit if any.
6. Please list the file transmission methods that the bank will accept from the customer.

7. Please describe the method used to price this service. Please indicate the fixed and per item costs in attachment H.
8. Please describe what measures are taken to ensure image quality and data integrity. Please list any items that should be excluded from the file.
9. How are rejects processed, repaired, and reported? Describe how rejects impact the processing of the entire file? Do reject thresholds (or limits) apply? If so, please describe the reject category and the threshold quantity.
10. Does the bank charge for handling a rejected image? If so, please describe and include the cost in attachment H.
11. How long does the bank retain the X9.37 files from each customer?
12. What period of time does the bank recommend for retaining the actual paper documents (checks) used for image exchange purposes?
13. Please describe how the bank would establish and implement Image Exchange for the County based on the County's ability to successfully generate an ANSI X9.37 file. Clarify the agreements, the amount of testing, and lead time required to launch this service.
14. Please clarify any unique modifications the bank requires to the ANSI 9.37 file for check clearing purposes.
15. What software does the bank require to encrypt and transmit files? What communication protocol will be used? How will the bank provide the software to the County? Can the software be installed on multiple workstations? How does the bank price this software?

Deposits - Electronic ACH File (Minimum Bid Requirement)

1. Indicate whether the bank *cannot* accept and originate any of the following payment formats (add any others that should be included but are not shown on the list): PPD, CCD, CCD+, CTX, ARC, POP, TEL, WEB.
2. Specify the earliest time and method the County would be notified of ACH receipts.
3. What methods are available for reporting incoming and outgoing ACH transactions? Are incoming ACH credits reported on-line in the intraday activity for an account?

4. Are ACH receipts available to the County for wiring purposes on the effective date of the ACH credit?
5. Are controls in place to protect against lost files or duplication of transmissions?
6. To successfully encrypt ACH files prior to transmission, what software does the bank provide?
  - a. Specify the encryption level of the software.
  - b. Is the software compatible with Windows 7 (or newer versions)?
  - c. Specify the cost of the encryption software.
  - d. Does the bank provide training and technical assistance for the installation and use of the software?
  - e. Please describe any other security features in the encryption software.
7. How does the bank handle system/software upgrades? Is there a charge for upgrades? Please specify.
8. Please answer the following questions related to On-line Internet Banking Services.
  - a. Does the bank currently utilize Internet capabilities as a method of information delivery for ACH transactions?
  - b. If no, are there plans to introduce Internet capabilities? Please specify when and how.
9. Describe how return items are handled. Include timeframe for each process.
10. Can the bank back value ACH debits or credits if a bank or clearing house error occurs? If so, describe any restrictions or limitations.
11. Describe the bank's pricing for electronic receipts/files (include the fee information on attachment H). Please clarify if the bank assesses a per-file charge or a flat fee for each day. If the Bank assesses a per-file charge, would it consider a flat fee for each day?
12. Please describe the characteristics of an ACH used to perform an intra-bank transfer vs. an on-line book entry. Include differences in availability if any, and include related costs in attachment H.

13. Describe the controls in place to ensure that Automated Clearing House (ACH) transactions are processed in a secure manner?
  - a. Are policies and procedures in place for ACH activities?
  - b. Handling of rejects for re-entry?
  - c. Daily balancing of system transactions?
  - d. Separation of duties for transaction processing?
  - e. Can ACH transactions be blocked from an account?
14. What are the hours of operation for the ACH Processing Center?
15. Who are the direct contacts at the ACH Processing Center? Please provide relevant contact information.

Deposits Electronic Remote Capture of Checks (ARC and Check 21):

1. Does the bank offer a remote capture service? If the bank currently does not offer or plan to offer a remote capture service, skip the remaining questions in this section and go on to the next section.
2. Explain how the bank's remote capture service works, using diagrams and/or other visual aids that are applicable. Indicate situations where remote capture is not applicable.
3. What equipment options are recommended to perform remote capture? What is the approximate cost of the equipment? Will the bank accept transmissions from other types of equipment? Explain any limitations or restrictions.
4. Does the bank have an on-line system? If software based what type of software does the bank use to perform remote capture? If the software originates from a third-party, what is the vendor name? Please provide a list of client installations using the third-party software for remote capture.
5. If the bank's software and equipment are used for remote capture, can the bank provide the County with the images (along with index information) in a non-proprietary format for upload into a database (.TIF or .jpg)? Please indicate if the image files are single-image files or multi-image files.
6. Describe a typical implementation of remote capture; include typical timing, testing, and one-time implementation charges.



7. If the County captures check images at various locations, how long should the actual checks be retained?
8. Describe how return items are handled.
9. Specify the timeframes associated with same-day credit.
10. Specify the timeframes associated with next-day credit.
11. Describe the pricing structure for remote capture services (include the fee information here and do not refer to another section of the proposal). Please provide two pricing descriptions – one if the bank equipment and software performs the data capture and file transmission and one if the County equipment and software is used to perform the data capture and file transmission. Please indicate the pricing variances for ‘On-us’ items verses ‘Off-us’ items.

Deposits – Electronic Remote Deposits from Cash ‘Bill Validating Safes’:

1. Does the bank currently have agreements with armored carrier services to accept ‘bill validating safe’ deposits? List all the companies currently accepted.
2. What is the cut-off for same day deposit availability?
3. Please include charges relating to the ‘bill validating safe’ service in attachment H.

Deposit – Miscellaneous

1. Can various on-line banking payments made to the Trustee’s office be combined and sent as one ACH? If yes, how would the payment information be transmitted? Can the ‘parcel number’ format be required with each payment? Can the bank create a payment file to be downloaded into the Trustee receivable software?
2. Can online banking payments which are made to the Trustee’s office list multiple parcels? Example: Taxpayer owns several rental parcels and wants to pay using online bill payment. They would pay a total of three parcels and need to list each parcel and the amount for each. Trustee would then download the list and apply the payments, (like a company would apply a single payment to multiple invoices).
3. Do Credit Card payments have an identification number that is traceable from the credit card file being submitted to the credit card companies through to the deposit in the bank account?

4. Is there an identification number that links multiple deposits made in one ACH or ICL file – identifying various settlement dates?
5. Does the bank have a method of ‘check blocking’ to prevent checks or unauthorized debits from processing against depository accounts? Please describe.
6. Does the bank provide a Lock Box service? Please describe the input features as they relate to checks and supporting documentation received. Please describe the output features as they relate to files, account credit, timing and type of information. Please describe the difference in cost at activity levels of 100 to 300 items per month vs. 6,000 to 8,000 items per month received.

Return Item Processing:

1. What is the procedure for reporting deposit discrepancies? What documentation will the Bank provide with notice of discrepancy? Can the Bank report discrepancies within 24 hours? Within 48 hours?
2. Are debits and credits for as little as one cent made for deposit errors? At what dollar amount does the Bank write off discrepancies?
3. When counterfeit bills are discovered, what is the Bank’s notification and adjustment process?
4. How does the Bank report NSF and returned items? What time frames are involved? Describe the notification provisions for large (in excess of \$25,000.00) returned items.
5. Describe the on-line capabilities for deposit research. Are images of deposit slips on-line? Are images of the deposited checks available on line? Is it possible to retrieve an image or copy of an audit tape showing the items submitted for deposit?
6. Can the Bank automatically re-deposit returned items? If so, how many times for paper? How many times for images (from an X9.37 file)? How many times for electronic returns?
7. Can the bank provide detailed information regarding individual return items on-line? Via email? Via file?

8. Indicate which of the following details the bank can report:
  - a. Account #
  - b. ABA #
  - c. Check #
  - d. Deposit Date
  - e. Reason for Return
  - f. Name on Check
  - g. Total Amount of Deposit
  - h. Bag #
9. Describe the bank's capabilities to interface with third-party providers of negative databases and collection agencies.
10. What is the bank's policy on receipt of tampered bags?
11. Does the bank offer services that can automatically convert return items into ACH debits, using the RCK (return check conversion) format? Explain any limitations or restrictions, such as the number of times an automated item can be re-deposited, advantages of using RCK format, and other relevant factors.
12. Describe your returned item processing services (include the fee information in attachment H).
13. Can the bank return the record submitted in an image exchange file if the item is return NSF? If not the record submitted in the image exchange file can the bank submit an electronic file listing the returned items?

**C. Disbursements (Checks and Warrants)**

The Trustee oversees two disbursement systems -- controlled disbursement accounts and checking accounts. These accounts represent approximately 133,000 disbursements from fifteen (15) separate county offices for a total of \$ 675,000,000 annually. First, please note that most county offices issue warrants on controlled disbursement accounts and these warrants are funded by the Shelby County Trustee each day. Controlled disbursement account totals are provided to the Trustee by 7:30 a.m. each morning via a BAI file showing warrant amounts prior to posting at the bank. The controlled disbursement file is used by the Trustee for cash forecasting purposes. A positive pay function is performed each night matching checks being cleared to positive pay files previously imported into the bank's system or uploaded via FTP means. Exceptions that occur as a result of this nightly process are reported back to the Trustee and other offices for review and resolution.

The BAI file also has a cleared check component which is processed through the Trustee's Treasury Management System to provide balances and forecast information. The warrant and check information is processed by the bank and the funding of the control disbursement accounts is done automatically from these records. Discrepancies and unusual transactions are identified as exceptions and resolved by 2:00 pm daily, and if necessary funding is adjusted to ensure that controlled disbursement balances are correctly covered. Contact with a designated representative at the bank is key during this early morning process as decisions made during this time can significantly impact investment activities. By overseeing cash management activities, the Trustee nets deposits against controlled disbursement totals to determine excess or idle balances. Once the warrants (controlled disbursements) have been accommodated excess balances can be invested overnight.

Over the past few years the County has converted all of the Control Disbursement and checking accounts from Reverse Positive Pay to the more widely used Positive Pay. This newer version of Positive Pay requires issue files to be transmitted by the office/department that is using the account and the subsequent evaluation of any exceptions occurring on that account. The bank sends an e-mail alert to the Trustee's Office or the office of the account user before 10:00 am each morning. This alert indicates that there is an item on the account that must be reviewed before the 2:00 pm deadline for resolving the positive pay exception. In addition to basic positive pay security many of the County accounts have been converted to Positive Pay with Payee Name verification.

For annualized volumes on both CDA and payroll accounts, please see Attachment F.

**Please provide your response to the following questions:**

**Controlled Disbursements**

1. Can the Bank establish up to thirty (30) controlled disbursement accounts to clear warrants and to be funded from the Trustee's concentration account? Please provide the following information:
  - a. A detailed explanation of controlled disbursements and how the Bank provides this service. Indicate the time frames for which information will be available to the Trustee each morning. How and when can images be presented?
  - b. Branch location and/or ABA number used to facilitate controlled disbursements. Describe geographical options and any perceived benefits of each location.
  - c. How is information passed to the customer? Do totals include rejected/damaged items?

- d. Describe the Federal Reserve's timing and process for daily second presentments. How does that affect the Control Disbursement processing?
  - e. What is the cutoff time for second presentment?
2. How will the customer be notified if the daily notification will be delayed?
3. How many times in the last 90 days was detail information (on-line or in BAI format) provided at a time later than 7:30 a.m.? Please describe the reason(s) for the delay and the actions taken to remedy the situation.
4. Describe how controlled disbursement accounts are funded. Can disbursements be funded either automatically or manually by:
 

On-line, real-time electronic book entry initiated by the County?

ACH for same night posting?

Automatic funding of approved accounts?
5. What is process for automatic funding of the control disbursements? What is the cut-off time for funding the controlled disbursement presentment manually?
6. Can third-party ACH debits be charged to controlled disbursement accounts? Describe the bank's system for controlling the posting of ACH debits, and protecting against unauthorized postings?
7. Describe the bank's process for repairing misread or illegible check information on controlled disbursement checks.
8. Discuss the bank's policies and procedures for processing stale-dated items.
9. Controlled Disbursement accounts are opened by the Shelby County Trustee as banking agent. The name on the account will read: Shelby County Trustee for           (County Office / Account Name)          . The official signers for the account will be the Trustee, the Chief Administrative Officer, and the Deputy Chief Administrative Officer. However, the Trustee adds information from each County Office regarding people who are authorized to sign warrants or controlled disbursements. Each County Office furnishes the Trustee with a list of signatures from the designated signers. In this regard, please specify how the Bank would like to be notified of these authorized signers and any revisions to the signer list.

10. Describe pricing for controlled disbursements. Show all the costs associated with having 1 controlled disbursement account; include costs associated with account maintenance, analysis, recon, positive pay, etc. Please include on Attachment H.

BAI file (Fed File)

What is the cost for receiving a BAI File each day?

Miscellaneous Costs:

Please specify all other costs and indicate if the charge is assessed daily or monthly.

11. Can the bank provide a daily file containing all control disbursement items funded?
12. Describe any cash management alternative compatible with the Trustee's warrant funding and presentment process.
13. Can the bank provide a less expensive alternative to the use of controlled disbursement accounts while still meeting the requirements of the County?
14. Can ACH debits and/or credits be initiated to or from disbursement accounts?
15. How will the bank provide images of warrants presented against the control disbursement accounts? Are there options on how the images will be made available? Can the bank provide the images in a non-proprietary format with index information? Please indicate if these image files contain a single image or multiple images. Describe the pricing associated with each option.

Positive Pay on Control Disbursement Accounts:

As mentioned in the section overview above, the Trustee's Office is currently utilizing the Positive Pay protection on all of its accounts. In addition, some 60% of its checks are now covered by Positive Pay with Payee Name Verification (to be discussed later). Below is the current process used to perform the Positive Pay function:

- ❑ The office responsible for issuing checks or warrants - imports a file or record of issued items into the Positive Pay system. See format in attachment J.
- ❑ The daily cleared check file of items received by the bank is processed nightly and compared to the issue files imported into the Positive Pay system. Comparisons are made to checks numbers, accounts, amounts and dates.
- ❑ If discrepancies on an item are detected, they are reported as an 'exception' through the

on-line system to designated users of the affected account. The review and approval or rejection of the exception must be completed by 2:00 pm each day.

- ❑ 'Exception' items are currently identified using the Bank's on-line treasury services software—these items are held in suspense until a disposition is provided by the account user or the 2:00 pm deadline is passed. The default on exception processing is the rejection of the item.
  - ❑ The controlled disbursement account items are funded each day based on the totals from the Current Day file.
  - ❑ Positive Pay 'exception' items that are rejected are a reduction to the funding amount and not charged to the account.
1. Given the information listed above, please describe the Bank's best process for assisting the Trustee with Positive Pay. Please consider the following
    - a. Clearing totals are needed by 7:30 a.m.
    - b. Inspections will not be made for endorsements.
    - c. Deadlines for return items.
    - d. Images of the warrants will be needed in an on-line format.
    - e. The bank will perform the comparison to the issued warrants / checks / controlled disbursements associated with its Positive Pay process. The verification process will include the account number, the check number, and the amount.
    - f. The County will not verify endorsements on the items presented for payment each day through its Positive Pay process. As the banking industry controls the transaction of business related to negotiable instruments, the Bank will agree that the County cannot be held liable or responsible for the detection of forged endorsements nor for any losses incurred or caused by forged endorsements.
  2. Apart from #1, can the bank provide a presented warrants file containing all of the controlled disbursement items which were actually presented for payment on the previous day?
    - a. If so, what is the earliest time the information will be available?
    - b. Can it be provided in a text file?
  3. Can the Bank provide immediate information requested on suspicious items? (i.e., missing check numbers, encoding errors, amount discrepancies.)
  4. How will the Bank notify the Trustee of debit memos, stop payments, adjustments, and encoding errors on accounts?
  5. Describe procedures for reporting a disputed or fraudulent item? Provide contact names, telephone number, fax number, and time frames.

6. Describe how the County would notify the bank for the following:
  - a. Return of item processed from the Fed file
  - b. Return of item on the Paid Check file (i.e. payroll DDA account)
7. Explain how the liability for check fraud is affected by using positive pay services.
8. Explain the process for resolution and liability for a forged endorsement.
9. Does the County have to select full reconciliation services to obtain positive pay services? Explain any requirements.
10. Can the Bank provide positive pay services for payroll accounts? Explain any limitations.

Positive Pay with Payee Name Verification on CD and DDA Accounts:

- ❑ In addition to basic Positive Pay protection – 60% of the accounts managed by the Trustee’s office include the added protection of Payee Name Verification.
  - ❑ The processes for utilizing this additional level of protection are the same as for Positive Pay with the single difference being the inclusion of the payee name in the information imported into the bank’s Positive Pay system.
  - ❑ To enable this protection, certain criteria must be met insuring that the payee information can be read on the checks being presented and that the import format conforms to the banks requirements to build the proper record.
1. Does the bank offer positive pay with payee name verification on control disbursement accounts and can the bank offer it for the payroll accounts?
  2. Describe the set-up process for positive pay with payee name verification - including the estimated time required to set-up, test and implement an account.
  4. What are the cut-off times for positive pay? Describe the process for resolving discrepancies (exceptions).
  5. Describe the process for updating positive pay files on-line for checks issued by the County, include the timing of updates to teller line systems.
  6. Describe pricing for both types of positive pay services (include the fee information in attachment H).
  7. Given the current process outlined on pages 26 & 29 please describe the banks best



process for this type Positive Pay. Consider items detailed on #1a-f on page 30.

8. Specify the procedure for bank tellers when a warrant on an account with regular positive pay is being deposited or cashed at the teller window.
9. Specify the procedure for bank tellers when a warrant on an account with positive pay with payee name verification is being deposited or cashed at the teller window.
10. Specify the criteria (or restrictions) regarding the type of check or quality of print for including accounts in either Positive Pay process. For example; can the bank validate a check that has been typed on a typewriter?

Check/Check Images:

What options are available for cleared check images? Please specify the format and indicate if the image file contains a single-image or multiple images.

Describe the procedures / software in place to detect and prevent the posting of duplicate IRDs, duplicate images (from Image Exchange) or clear as ICL and then as IRD. If exception cues are used, please explain how they work.

Will the Bank charge for cashing a Shelby County check? If so, please specify the amount and the circumstances, and include the cost in attachment H.

Overdrafts:

1. What procedures are used to resolve overdrafts caused by funding failures as a result of:
  - a. Improper funding by the customer?
  - b. The bank's error or delay in notification?
  - c. A Federal Reserve problem?
2. How are overdraft fees calculated?
  - a. Is there a daily cap on fees?
  - b. Is interest assessed on overdrafts?
  - c. How is the interest rate calculated for overdrafts?
  - d. Are these fees added to the analysis charge for the month?
3. Indicate the Bank's willingness to fund daylight overdrafts on county accounts in the amount of \$60 million in the aggregate. Include the information related to a true

overdraft that causes the ledger balance to be negative and a daylight overdraft where a negative balance is offset at end of day posting with credits flowing into the account.

- a. How will the Bank calculate charges for any overdrafts, i.e., interest rate charged will be based on an index which is published in the Wall Street Journal or comparable publication which can easily be retrieved by the Trustee's office and adjust plus or minus X basis points?
  - b. If the Bank will not allow \$60 million in daylight overdrafts, what is your limit?
  - c. Specify any limit on the duration of the overdraft.
  - d. Describe the notification procedures for the County to exercise its Daylight Overdraft privilege. Include contact personnel, telephone number, fax number, and time frames.
4. Briefly discuss the Bank's policies on daylight overdrafts. Include the following:
- a. How does your system identify daylight overdrafts? Is your system real-time and does it consider deposits, incoming and outgoing wire transfers, ACH transactions and checks presented?
  - b. How does the Bank propose to advise the Trustee of daylight overdrafts? By what time?
  - c. What changes may occur in your policy regarding daylight overdrafts due to regulatory or policy changes by the Federal Reserve?

**Stop Payments:**

1. Briefly explain the procedures used to request a stop payment.
2. Is there a cut off for stop payments to take effect next day?
3. Are there any options for placing stop payments requests in addition to internet banking website?
4. When will the stop payment requests take effect and how long will they remain in effect? Can the period be extended?
5. How does the Bank verify that stop payments have been received and implemented?
6. For stop payment placed via the Internet, is there a system in place to verify if a check has been paid before accepting the stop payment?

7. How much history is examined in the verification process?
8. Can you request stop payments for a range of checks? What is the limit of the range?
9. Will the Bank provide notification to the Trustee of stop payment requests and when they expire? When will the Trustee be notified? Can stop payment requests that have expired be renewed automatically or manually, with or without the Trustee's direction?
10. Can a check be voided in the positive pay system? Please describe the difference in the effect of such a void vs. a stop payment.

Wire Transfers:

Historical data shows that Shelby County initiates in excess of 1,200 wires each fiscal year. These wires are both repetitive and non-repetitive in nature with dollar amounts that range from \$ 1 to \$500,000,000. Outgoing wires may exceed \$ 500,000,000 in a single day. For this reason, Shelby County requires multi-level security on all electronic wire transmissions. Further, the timeliness of processing wires is a paramount concern for the county, as delays **cannot** be tolerated especially in the event of debt service payments and the issuance of bonds. Wires may originate from a variety of county offices with final transmission approval(s) granted by the Trustee Cash Management Center. For this multi-user environment, it is important that the bank propose a software that is both flexible to administer and easy to use. Finally, the bank must be able to guarantee the processing of incoming and outgoing wires in the event of problems (i.e. software malfunctions, integration of bank systems that impact funds availability) or disaster.

1. Briefly describe the Bank's online software product along with any related policies and procedures. Include the following:
  - a. Please state in detail what responsibilities Shelby County will incur over the administration or operation of the bank's software at the Shelby County location. Describe in detail any administration responsibilities of Shelby County. Please indicate if the County will be responsible for establishing wire permissions and user templates within the software product.
  - b. If the County will be responsible for establishing wire permissions and user templates within the software product, what initial support/assistance can be delivered by the bank to assist the County in creating 50+ wire templates within the software? Are there any fees relating to templates that have been created?

- c. Are there any restrictions on the number of users or templates that can be created within the software? If yes, please specify.
- d. Can the bank originate and process the following types of wires?
  - 1) Automated repetitive (domestic)
  - 2) Automated non-repetitive (domestic)
  - 3) Manual repetitive (domestic)
  - 4) Manual non-repetitive (domestic)
- e. What, if any, time constraints are there?
- f. Describe the controls for automated repetitive and non-repetitive wire transfers.
- g. Describe the controls for manual repetitive and non-repetitive wire transfers.
- h. What security precautions does the Bank (or its software) employ to ensure that the appropriate County personnel initiate and approve wire transfers?
- i. How does the Bank confirm that all wires have been properly processed? The County will require confirmation of the wire amount, Bank's Fed reference number, and the time completed.
  - 1) Can the Bank provide confirmation within the software?
  - 2) Can the Bank provide an email confirmation to a selected group of users?
- j. Describe the bank's procedure for notifying the County when a wire transfer fails.
- k. State the maximum time (in minutes) that can elapse between the initiation of a wire request (in the bank's system) and the execution of the wire transfer at the bank. Can this time vary if the wire amount is large? If so please explain.
- l. What procedures are in place to ensure that wires are processed in the event that the online software product cannot interface with the bank's main wire center?
- m. Does the Bank delay or hold wire transfers if the wire transfer results in a daylight overdraft? If so, how does the Bank notify the County of this condition?
- n. State the earliest and latest time the County can initiate wire transfer instructions

to the Bank for same day settlement for both automated and manual requests.

- o. Are there specific times during the business day or during the month when wire transfers are more likely to be delayed? If so, please specify.
  - p. Please describe the requirements, policies, and procedures the County must follow in the event that a manual wire transfer is necessary.
  - q. Is there a daily, weekly, monthly or yearly limit on the number of wires? If yes what are the limits.
  - r. What are the Bank's policies regarding reclaiming incorrect wire transfers due to a County error or a bank error? How would the Bank propose to compensate the Trustee for a Bank error?
  - s. Explain the process for granting template access to a new user. Can a user be restricted by any of the following:
    - Dollar limit on a specific template
    - Dollar limit on all wires
    - Access to specific template
    - Access to all templates
    - Inquiry, input, or approval on specific templates
    - Inquiry, input, or approval on all templates
  - t. Explain the process for creating a new wire template within the software.
- 2. Will all incoming wire transfers be posted and available the day received? If not, indicate circumstances. Describe how the wire center integrates incoming wire information with the Bank's main operating platform that contains account balances.
  - 3. What deadline (in Central Standard Time) will be used for the County in processing an outgoing wire for same day settlement?
  - 4. What deadline (in Central Standard Time) will be used for the County in receiving an incoming wire for same day settlement?
  - 5. Where is the geographical location on the Bank's primary wiring facility? What are the hours of operation on Central Standard Time? Provide contact name, telephone

number, and fax number.

6. How many times in the last 90 days has the bank's software been delayed in communicating information to the bank's wire center? Please describe the reason(s) for the delay and the actions taken by the bank to remedy the situation. Please quantify the time for each incident.
7. For availability of funds for wire activity does the Trustee's account balance automatically update for maturities and purchases or is the update preformed manually?
8. Intended recipients must receive wire transfers originated by the County in time for crediting on their effective dates (i.e. same day). State how the bank will ensure that crediting is accomplished; specifically state how the bank proposes to handle a wire that rejects from the Federal Reserve wire transfer system.
9. Can wires be warehoused or future-dated? If so, please specify the time period.
10. What are the procedures in the event of a disaster at the wire center location for wires to be processed?
11. Can wires be approved and released from a 'smart-phone' or other device? If so, what safety measures are in place to protect such activities?
12. Describe the cost to send a domestic wire, include in attachment H.
13. Describe the cost to receive a domestic or an international wire, include in attachment H.

**Intra-bank Transfers:**

1. Does the bank's online treasury software allow intra-day book transfers between bank accounts?
2. Are intra-day transfers made online available immediately (i.e. payroll funding purposes)? If not available immediately, how would the bank accommodate these type transfers? Also, in the event of the follow activity how would the bank balance be impacted:
  - a. Security settlements (i.e. investment maturity or purchase)
  - b. Intra-day ACH credits or debits

- c. Intra-day wire credits or debits
  - d. Branch deposits
3. Can intra-bank transfers be made online as 'On-us' ACH debits or credits for same-day posting? If so, does the bank provide a method to "memo-post" the transfer on the appropriate accounts?
  4. Can book transfers be future-dated? If so, please specify the time period.

ACH Vendor Payments:

1. With regard to Internet input of ACH transactions for vendor payments:
  - a. Can the County build a database of repetitive transactions and/or templates?
  - b. If a template can be created for a repetitive transaction, will the Bank's online software allow the County to input an invoice reference (i.e. an addenda record) and an amount both of which may vary with each input session?
  - c. What security procedures are in place to minimize the risk of unauthorized transactions?
2. Can the bank accept a batch file for ACH transactions for vendor payments?
3. Describe the process to ftp the vendor payment file and what encryption method is used?
4. What is the process for setting up batch vendor payments?
5. What are the cut off times (in Central Standard Time) for submitting the batch files?
6. Are there safeguards to prevent a file from being processed twice?
7. Does the bank have any programs for handling AP Vendor payments using methods other than paper checks and ACHs? Provide details of programs.

#### **D. Automatic Overnight Investment**

1. Can the Bank provide an automatic method to invest all excess funds at the end of the day in the Master account into an overnight investment account? If so, please give a complete description on the operation (including the credit of funds to the Master Account on the next business day) and limitations of this sweep account or possible alternative.
2. Please indicate if the Bank can “sweep” excess funds from the Master Account into an overnight investment account that can be categorized as a “Public Funds” depository account that is collateralized by the Tennessee State Collateral Pool.
  - a. Can the bank provide a separate collateralized interest bearing deposit account held in the name of the Trustee which shall be for the purpose of receiving or investing funds or maintaining an overnight balance in excess of the amount needed to fund the normal account activity?
    - 1) Please quote the rate in terms of the Federal Funds Target Rate as set by the Federal Open Market Committee plus or minus a percentage as quoted by the successful bidder. Interest shall be calculated by multiplying that day’s applicable rate by the invested balance for that day and divided by 365 for that day’s interest. The aggregate interest should be credited to the Trustee on a monthly basis.
    - 2) The funds shall not be subject to a reserve requirement.
    - 3) All funds invested in the collateralized interest bearing account shall be collateralized by the State of Tennessee collateral pool.
3. For an overnight investment apart from the description in #2, describe the procedures used to verify to the Trustee that swept funds are invested in authorized securities as set forth by Tennessee Code Annotated § 5-8-301.
4. For an overnight investment apart from the description in #2, describe the procedures for ensuring that the market value of the securities used for collateral is equal to 105% or greater.
5. Please be advised that the County will require notification of the market value of the collateral supporting each “sweep” or overnight investment balance. Please provide a sample notification.



6. Please specify the minimum dollar amount for a “sweep” or overnight transaction.
7. How will the Bank notify the County regarding the amount of each “sweep” and the interest earned?
8. Will the Bank compute compounded interest daily and pay interest to each account on a daily basis? When will the interest be credited to the Master account?
9. Can the bank provide a monthly statement of activity for the “sweep” account? Please provide a sample statement.
10. Please provide a twelve months rate of return history on either the bank's sweep product or an alternative. Please complete Attachment D.
11. How will the Bank ensure that investments are owned by the County, and are classified as a Category 1 investment under GASB Statement # 3?
12. Please indicate if the “sweep” account is exempt from the 10% reserve requirement of the Federal Reserve.
13. Are sweep accounts and related investments handled solely by the Bank or is a third-party involved? If a third party is involved, describe the Bank’s relationship and guarantee (if any) with that third party.
14. Please describe the impact of a “sweep account” on the monthly earnings credit allowance.

**E. Certificates of Deposit / Savings Accounts**

At various times, Shelby County Court Clerks are instructed by the court system to establish interest-bearing accounts or certificates on behalf of minor children or other designated individuals for a specific period of time. Currently, these certificates of deposit number in excess of 1,000.

1. Describe how the bank would work with various Court Clerks to open these interest-bearing accounts and any related charges associated with that particular service. Please include documentation requirements.
2. Does the bank offer any type of product that would reduce the manual effort required in placing these funds in CD’s?

3. Does the bank offer a service that monitors maturities for the accounts mentioned in #1? If so, please describe the service and any related charges.
4. How are interest rates determined for the time deposits mentioned in #1?
5. Is there a person(s) designated to work with this type of time-deposit program? Please specify the contact person for this service at the bank.
6. Are penalties assessed for early withdrawal if mandated by the court? If so, please specify.
7. Can the certificates automatically be “rolled” for another term upon maturity?
8. Can the proceeds at maturity be deposited directly to a ZBA account for the court clerk?
9. Can the bank notify the clerk of the deposit amount (principal + interest)? If so, how will the notification be made?
10. Please specify the minimum amount for a certificate of deposit.
11. Please specify all charges associated with providing this type of service.
12. Please propose any alternative method of investing escrowed funds that would meet the requirements of the courts.

**F. ACH Direct Deposit / Payroll**

ACH credit transactions originate primarily from the County through the Department of Finance and the Shelby County Board of Education for payroll purposes. Shelby County Government payrolls are semi-monthly and Board of Education payrolls can be either semi-monthly or bi-weekly. (ACH NACHA format used is shown in attachment J). Typical transaction and dollar volumes are listed below for each pay period:

	Checks	Direct Deposit
Shelby County Government	16 (1%)	6,000 (99%)
Shelby County Board of Education	300 (1%)	37,000 (99%)

Funding for checks and ACH direct deposit transactions is made directly to a payroll account on the effective date of the payroll. If there is any requirement to maintain a balance between the date of data submission and the effective date of the direct deposit, please specifically state those requirements.

1. Describe the service delivery methods (direct transmission, PC-based system, terminal input, Internet, etc.) available to the County for direct deposit transactions.
  - a. Include any alternative methods that might be of benefit to the County.
  - b. Please provide all the communication protocols and transmission formats. Can the bank process files sent in the County's existing formats as detailed in attachment J?
  - c. Please specify the bank's cut off times for customer initiation of ACH transactions.
  - d. Please specifically address any non-NACHA header records or the use of any protocol other than FTP required to transmit a file from the County to the bank.
  - e. Can the Bank process ACH files on Saturday? On Sunday?
2. Provide the latest time currently available to receive a County direct deposit file for settlement on a desired effective date. How flexible are alternative transfer time frames in the event of an emergency?
3. Describe the process for confirming to the County that direct deposit files have been received and processed accurately. Describe the procedures used for the receipt of files.
  - a. Do confirmations include the effective date and dollar amount?
  - b. Can confirmations be sent via email?
  - c. Can confirmations be sent via email to multiple users at the County? If so, is there a limit?
4. Describe the process for reporting corrections, returns, and dishonored ACH transactions. How will the County be notified?
  - a. Are on-line reports available? If yes, please provide a sample report.
  - b. Can reports be sent via email? If yes, please provide a sample email.
  - c. Describe the cost of these items and include in attachment H.
5. Does the bank use transaction or dollar limits? Please specify.
6. Can the bank modify a transaction that the County has originated prior to releasing the transaction to the ACH operator? What modifications can be made? If modifications are permissible, what is the deadline for receiving instructions to modify a transaction?
7. Describe the filters used by the bank to detect duplicate transmissions.

8. What software does the bank require to encrypt and transmit files? What communication protocol will be used? How will the bank provide the software to the County? Can the software be installed on multiple workstations? How does the bank price this software?
9. Is an intra-bank transfer via ACH reflected as an actual credit to an account or is the item “memo posted”? For example, if a Shelby County employee is paid via ACH on the 15<sup>th</sup> of the month, will the ACH amount be reflected in the available employee bank balance (assume the employee has a deposit relationship at the Bank) on the 15<sup>th</sup> of the month? Will the actual credit transaction also be reflected in the account activity?

**G. Vendor Payment (Accounts Payable) Options**

The Trustee’s Office as well as other elected official’s offices process Accounts Payable vendor payments in a variety of methods and across a variety of accounting systems. Does the bank have – or work with another entity that has – a system for automating or integrating these payments with other bank transactions or systems?

1. If yes, describe the system in detail and how it might be utilized by the various offices throughout Shelby County Government. Please include relevant cost data, and any processes that would be handled by a third party provider.
2. Describe the use of different payment methods (check, ACH, payment card) available and the cost impact of each.
3. Does the bank offer an ‘electronic card’ based vendor payment option – where a rebate to the County is involved? If so, please describe.
4. Can the bank provide a single file with all ACH and check clearing data for these options? Does the bank outsource any of these optional methods, and if so, who is their provider.

## **H. Account Analysis**

1. Can the County decide how the balances in its accounts will be grouped for purposes of compensation, *e.g.*, assessed individually, by division, or at the relationship level?
2. When calculating average balances, are positive and negative balances netted?
3. What billing period options does the Bank offer? How and when will the County be billed for deficiencies?
4. Can excess balances be used to offset analysis charges?
5. How long can excess balances be carried forward to apply to charges in future billing periods?
6. How are adjustments reflected on the account analysis?
7. Can the Bank provide composite and individual monthly account analyses? Will the analysis include all charges and compensating balances necessary to offset those charges?
8. Within how many business days after the close of the month can the Trustee expect to receive an Account Analysis statement? Note the maximum number of days after the month end is 10 days.
9. The County is requesting that the account analysis statement be delivered to the County in a financial spreadsheet so that data can be uploaded into the County databases for further analysis. All detailed spreadsheets must add to the summary. Please describe how the Bank will address this requirement.
10. Does the bank pass along FDIC charges explicitly on the monthly account analysis statement? If so, provide a detailed calculation to support the charge. Do you charge on average balances or balances at specific points in time?
11. If the bank receives refunds on FDIC assessments, are they shared with customers? Explain the rational for sharing or not sharing.

## **I. Treasury Management System**

The Trustee's office utilizes a Treasury Management System (Treasury Workstation) for obtaining information on its daily bank activities and for preparing the corresponding journal entries.

1. Does the Bank currently have the capability to create a BAI file that can be loaded directly into a Treasury Management System?
2. Can automatic connections be established to poll Prior Day and Current Day BAI files?
3. What is the earliest time (in Central Standard Time) that the BAI files can be retrieved?
4. What is the retrieval format for bank balances and transactions?
5. How many of the bank's existing clients work with a Treasury Management System? Of those, how many experienced problems with the daily import of BAI files in the last month? In the last year?
6. What file transfer methods are available for obtaining BAI files? Push or Pick-up?
7. Can the bank provide Interest Income in the BAI file with the instrument number identified? If not, can you describe another solution?

## **J. Information Reporting**

Balances are monitored throughout the day for investment and cash management purposes. Because critical decisions are based on information received early in the morning, it is necessary to have all bank information included in the BAI file (i.e. account balances, warrant/check clearing information, chargeback data, etc.) and available no later than 7:30 a.m. In addition to daily reporting, monthly bank statements, warrants/checks images, and reconciliation data must be available on-line within **three (3)** days following the end of the month. The activity analysis must be available in and excel format within **ten (10)** days following the end of the month.

**Please provide your response to the following questions:**

On-line Reporting

1. Does the Bank utilize Internet capabilities as a method of information delivery?
2. Does the Bank provide an on-line banking website for commercial/governmental accounts?
3. Does the on-line Internet product allow access to following banking services:
  - a. Account Inquiry
  - b. Balance Reporting
  - c. Historical Transactions (Specify period of time data is retained.)
  - d. Emails
  - e. File transfers
  - f. Intra-day Book Transfers
  - g. Transaction Downloads
  - h. Account Transfers
  - i. Wire Activity (w/ Detail)
  - j. Statements/Files-Banking Activity (specify format)
  - k. Statements/Files-Analysis (specify format)
  - l. Safekeeping Activity
  - m. ACH Transactions
  - n. Statement Images
  - o. Check Images
  - p. Deposit Images
  - q. Images of Deposit Item
  - r. Chargeback Images
  - s. Stop Payment
  - t. Positive Pay services
4. Specify the retention period for Items #3 n, o, p, q & r listed above. If the method of delivery of the historical records is expected to change, please provide the time frame and details of how long the old records will be available.
5. What time is previous day information available for access by the County? If information is delayed, how and when will the County be notified?
6. Can the Bank provide daily (same-day) automated balance and detail reporting electronically on all accounts? Provide a copy of screens.

7. What is the earliest time of day (CST) that incoming ACH debits and credits are reported?
8. Is there a limit to the number of County accounts that can be reported on the Bank's on-line system?
9. Can the Bank provide information on items presented during the day? If so, indicate at what time, the level of detail available, and what items are included.
10. Describe the process for reporting errors identified through the Bank's on-line reporting system.
11. Describe the procedures used to make an adjustment to bank statements and to insure a corresponding adjustment to the account analysis statement. How is the adjustment handled if the analysis period has already ended?
12. Describe the procedures used to insure the County is not double-billed for routinely charged items (i.e. a stop payment charge debited to the individual account as well as the composite analysis).
13. Will the Bank provide assistance for account reconciliation and problem resolution? Please explain.
14. Describe backup procedures for obtaining balance information when normal operating systems are unavailable. Indicate the number of occasions and amount of time each system experienced down time over the past year—identify the system.
15. Describe how the bank's Internet product interfaces with the following and indicate if the interface is real-time or batch (if batch uploads are required, please indicate the frequency):
  - a. The bank's mainframe system or main account database
  - b. The bank's wire center
  - c. The bank's ACH center
  - d. The bank's custodial or safekeeping center
16. How long is information maintained online? Is the full history accessible online? If not, describe the procedures for accessing the information.
17. Does the Bank charge for maintaining historical data online? If so, explain the pricing structure.



18. Describe in detail the on-line security administration responsibilities to be performed by the County for its users.
19. Will the Bank provide training assistance, materials, and resources to assist the County with the administration and utilization of the Bank's on-line banking software? Please indicate the resources to be provided to the County.
20. Is there a limit on how many users can be set up for on-line banking activities?
21. Describe the method of granting different accesses and permissions to the various users.

#### Offline Reporting

1. Provide a detailed backup plan for providing information to the County when the Bank's EDP system fails. Specifically address providing cash balances, providing check and warrant amounts to be funded, verification of security transactions both debits and credits, etc. If (due to system failure) warrant amounts cannot be communicated by 9:00 a.m. prior to post, the County will not be responsible for overdraft charges. Likewise, the County would expect compensation if excess funds were left in the bank uninvested due to a system failure. There should be no disruption to funding the County's outgoing/incoming wire activity for the day.
2. Specifically address the Bank's willingness to communicate incoming wire transactions and approve outgoing wire activity so as to not impair the County's ability to meet its financial obligations in the event the Bank's EDP system fails.
3. Specifically address the Bank's willingness to manually provide information in case the County's ability to obtain information via the Bank's on-line system is impaired. Is the Bank willing to fax bank balances, warrant amounts, and notifications of significant transactions such as securities purchases, etc.? Or is the bank willing to provide a location for a County employee to do the same?
4. Provide a detailed description of the controls in place to ensure the integrity of the funds transfer system in a manual funds transfer environment.

#### Technical Capabilities

1. Provide the minimum and recommended hardware and software requirements to support the Bank's online banking product. Also include all types of systems that are supported.

2. What type of Internet Browser is required to accept information from the Bank's Internet Banking System? Is it compatible with Microsoft Internet Explorer?
3. Please describe any encryption methodology for communicating with customers? Please specify (i.e. Encryption Level, Domestic or International Grade, PCP encryption, and any secured protocol).
4. Is technical support available for the Bank's on-line information reporting system? What are the hours for customers in the Central Standard Time Zone?
5. Please indicate if the Bank's online-reporting tool is provided through a third-party. If a third party provider is used, please give the name of the partner, the length of time the Bank has worked with that partner, and the reason why that particular partner was chosen.
6. Describe any enhancements planned for the information reporting system over the next 18 months.
7. What problems have other clients faced in attempting to establish direct links from the bank's information reporting system to their internal treasury workstations or software systems (i.e. accounting software)?

## **SECTION VIII: CUSTODIAL SERVICES**

All County owned securities are held in a custody (safekeeping) account with the Bank. All securities and cash held by the custodian shall be segregated from the assets of others. Securities held by the custodian shall be registered in the name of the Shelby County Trustee and held for the County. Custodial systems and records must reflect that the securities are held in the name of the Shelby County Trustee.

Please note that the County has a cash management strategy that relies on the availability of funds associated with as many as 200 incoming and outgoing custodial transactions each year. It is imperative that the Bank's custodial systems support the County's daily cash management functions without placing an undue burden on the County. In particular, outgoing wires must not be delayed in any way due the settlement of security transactions. In an optimum environment of integrated banking systems, credits and debits associated with security transactions would be reflected in the County's balance and available for immediate use.

**A. Custody Accounts**

1. Briefly describe the Bank's fiduciary role in providing custodial services. Please indicate the geographical location of the Custodial Service Center that will service the County. If the Custodial Center servicing the County is a satellite branch of the main operating center, please describe how the satellite branch interfaces with the main operating center in terms of the availability of information, the timing of settlements, and the process for ensuring that all settlements are processed on a timely basis.
2. Indicate if the Bank utilizes a third party vendor for any services to be provided. If yes, provide the third party vendor's name, a description of services provided and the location of the custodial operations center.
3. Indicate if the Bank has a secured location to receive and hold physical securities registered in the name of the Trustee. Where is the location?
4. Is the Bank a direct participant in the Federal Reserve book entry systems?
5. Is the Bank a direct participant in the Depository Trust Company book entry systems?

**B. Procedures**

1. Describe the procedures for the settlement of securities. Are securities settled on an actual or contractual basis? Indicate how the settlement affects the County's deposit balance (i.e. when are funds transferred to and from the deposit account?).
2. Describe how the Bank would propose to inform the County of daily incoming transactions, discrepancies in trade information and/or fails that have occurred. How will the Bank compensate the County for fail float?
3. Describe how the Bank would propose to receive instructions on County investment transactions.
4. How will the Bank inform the County's investment manager of calls and/or other related information pertaining to a security?
5. Does the Bank provide a method for the County to monitor security purchases and settlements throughout the day? Please describe. Please specify hardware/software required. Can this information be obtained through an on-line Internet web site?

6. Describe the procedures for collecting income on securities. Provide the following information:
  - a. Specify time frame for credit of income to designated account(s).
  - b. How will the Trustee be notified of such transactions?
  - c. Can the income contain an identifying link to the investment for the purpose of accounting entries?
7. Provide a listing of cut off times for notification of security transactions. Please specify if the cut off times vary for different types of securities.
8. Describe the Bank's procedures to process physical securities.
9. Describe how the Bank processes transactions associated with Fed extensions where transactions are settled after the daily cutoff time.
10. Describe any custodial information that is provided via on-line inquiry. Can the Trustee initiate transactions? What are the limitations? Please specify the cost of this service.
11. Describe the impact of daily settlement activities on the intra-day available balance. Please indicate how security purchases or settlements would impact outgoing wire activity.
12. How does the Bank monitor the authorization for pledging/releasing securities?
13. Please describe the pricing for custodial functions. In particular, the County would like to determine the safekeeping costs associated with 1 purchase, 1 maturity, statements, the cost for holding a security that has not reached its maturity date, and any other related costs. (Please include the cost information in attachment H.)
14. Please indicate the method used by the Custodial Department to communicate charges (i.e. analysis, invoice, etc.). Please specify how and when payment of these services occurs.
15. Provide names of contact personnel, telephone number, fax number, email address along with managerial contact information.

### **C. Reporting**

1. Briefly describe the Bank's reporting capabilities for custodial accounts. What reports are provided as a standard package? Reports must be available online. Please attach a copy of each. Please provide a telephone and fax number for a contact person.
2. Within how many business days of month end can the County expect to receive monthly activity statements and reports for all accounts? Can the Bank provide daily activity statements?
3. How are error/discrepancies resolved? Who should the County notify?
4. Does the bank provide market value for securities? If so what is the source for these values? Is there any reason that the Trustee then should not use these values to report fair market value?

### **SECTION IX: PRICING**

1. Which of the following methods of payment are accepted as payment for services provided to the County?
  - a. Compensating balance on net pool balance. The benchmark for the calculation of the earnings credit allowance (ECA) must be based on an index which is published in the Wall Street Journal or comparable publication which can easily be retrieved by the Trustee's office. The earnings credit allowance (ECA) must also include a floor, as set by the bank, to be applied any time the calculated rate drops below the floor. Please specify how the Earning Credit Allowance will be applied to determine compensating balance requirements. Include in your explanation the impact of your reserve requirements and specify how those reserve requirements will be calculated. Specify your formula for converting service charges to balance requirements, and specify the earning rate to be used as the floor as noted above. Give examples. Please complete Attachment D.
  - b. Direct fees for services. The bidder should quote per unit prices.
  - c. A non-interest bearing certificate of deposit.
  - d. Any combination of these methods.
2. Describe any limitations or policies related to compensation methods.
3. Does the bank charge a fee or other assessment for FDIC insurance? If so, Please state the fee and the actual insurance charge paid to FDIC.

4. What is the Bank's compensation horizon for fee compensation, i.e., how frequently must any under-compensation be resolved? Does this also apply to fee/balance combinations?
5. If compensating balances are used, how long can excess balances be rolled over for future compensation? Does this also apply to fee/balance combinations?
6. Are service charges different (i.e. higher) if the County compensates by fees? Are they different if the County uses a fee-balance combination method?
7. If the County pays by fees, describe how fee payments are made, including acceptable payment methods and timing.
8. How frequently will calculations of compensation be posted to the County?
9. Does the bank require a setup fee or one time charge for any services? Please specify.
10. Will the Bank cash the County's payroll checks without charge? If not, what is the charge?
11. Will fees in the proposal be guaranteed for four (4) years?
12. Please complete the spreadsheet in attachment H. This document was created in EXCEL 2007. It contains information related to bank charges for account activities. A monthly average is shown for each activity. Please fill in the "Per Unit Cost", "Monthly Estimate", "Compensating Balance", "Standard Pricing", "Difference", and "Discount" columns. Other services provided by the Bank but not listed may be added to the document. Also, any additional charges related to commercial/governmental accounts may be added to the listing. Costs must be calculated in the units as described.
13. Should the bid prices not be all-inclusive or bundled, each component must be identified separately with the related per unit cost. Any services not listed in the attachment H will be assumed to be free of charge.
14. Upon award of a contract, what monetary allowance will the Bank provide to offset the printing of new documents? See the Conversion Guide in Attachment G for pertinent information regarding bank supplies.

## **SECTION X: NETWORK / SYSTEM SECURITY**

Advances in technology have afforded Shelby County many opportunities to enhance processing efficiencies and thereby, optimize its cash management strategies. The major portion of all banking activity by the County now occurs not in a teller line, but via the Internet. As an active originator and receiver of e-commerce transactions, it is imperative that hardware/software systems be safeguarded with the maximum level of protection against fraud, identity theft, and data corruption. To that end, information resources (hardware and software) must include controls and safeguards to offset possible threats and to provide the necessary controls for system and data integrity, system availability, disaster recovery and business continuity, and system audit.

Please describe how the bank addresses the four major objectives listed below.

### **A. System and Data Integrity**

1. Please describe how suspicious user activity is detected? Is access to the system restricted by:
  - a. Unique User ID?
  - b. Password?
  - c. Functions available to specific terminals?
  - d. Automatic timeout if terminal left unattended?
  - e. Automatic log-off of a user after repeated failed access attempts?
  - f. Time of day and day of week?
  - g. Firewalls, routers, etc?
  - h. Other? Please specify.
2. Does the bank retain access histories or log files? If so, how long are these histories / files retained?
3. Please describe how the bank supports a secure connection between the bank and the Trustee at both the business office and the DR site.
4. Does the bank's system for interactive file transmission provide for dual factor authentication? If not please describe the methodology used.
5. Is the bank's encryption process equal to or greater than the Federal Reserve Bank's Level 1 Security procedure? Please describe.

**B. System Availability**

1. How is reliable performance documented?
  - a. Are statistics available to record downtime?
  - b. What is the number of downtime occurrences in the last twelve months?
  - c. For each instance, indicate (or approximate) the length of the downtime.
  - d. For each instance, indicate the cause for the downtime.

**C. Disaster Recover and Business Continuity**

1. Is electronic media stored in a fire resistant, limited access area both in the financial institution and at the backup site? Is access to on-site and off-site data files limited to authorized personnel?
2. Are any of the disaster recovery services offered by a service or third party? If so, please specify.
3. What is the estimated length of time required to restore operating capacity?
4. Please indicate how the network/system recovery plans would impact the County with particular regard to online banking, the transmission of ACH files, outgoing wire transfers
5. Does the Bank have redundant operating centers? If so, where are they located? Please indicate the major function for each operating center, and how quickly each can be activated to cover in an emergency.
6. Has the contingency plan, including the backup site, been tested within the past 12 months? Please describe the Bank's routine testing practices including frequency of testing
7. Are files restored from backup data tested periodically for accuracy and data integrity?
8. In what ways will the bank assist the Trustee during a disaster, i.e., back up plans for payrolls, direct deposits or ACH payments?

**D. System Audit**

1. Based on examinations by the Federal Reserve Bank, State Banking Departments and other Regulatory Agencies, have any major out of compliance condition been found? Have any enforcement actions been taken or are anticipated?



## **SECTION XI: ORGANIZATION AND EXPERIENCE**

1. Briefly describe the Bank's background, i.e., date founded, ownership, and other business affiliations. Include dates of incorporation, acquisition, and merger, expansion into new areas or business activity.
2. Indicate the number of employees, client base, locations and number of offices.
3. Indicate whether the Bank is a parent or subsidiary of a holding company. Describe all relationships with subsidiaries and/or parent if applicable.
4. Provide the address of the office location that will service the account.
5. Supply a list of branch banks in Shelby County and include address, telephone number, and contact person.
6. Provide an organizational chart for the personnel who will be associated with the Trustee's account. Include the roles of each person and illustrate the relationship among personnel.
7. Provide a resume for the management personnel within the Bank's organization that will be responsible for supporting the Trustee's account. Indicate the primary contact person.
8. Please describe the ability and the experience of the primary contact person to service a multi-account relationship of similar transaction and dollar volume as that of Shelby County.
9. Indicate if the Bank utilizes third party vendors for any services to be provided. Please give details of: (a) the name and address of the subcontractor, contact names and numbers, (b) a description of the work performed by each subcontractor, and (c) confirmation that each subcontractor consents to being included in this RFP response.
10. Provide current peer group credit ratings as published by the Sheshunoff Public Finance Rating Agency. Include the bank and the parent bank's credit ratings.
11. Provide a history of any short and long term rating changes by Moody's and/or Standard & Poors that have occurred for the previous five (5) years to the Bank. Include the reasons given by the rating agency for the upgrade or downgrade.

12. Provide the following for the Bank's loan activity in dollars and by percentage of the loans outstanding:
  - a. Total loans outstanding by loan type.
  - b. Non-performing loans by loan type.
  - c. Provision for losses by loan type.
    - 1) Loans declared uncollectible and written off against reserves.
    - 2) Reserves set aside for uncollectible loss.
13. Include copies of the following:
  - a. The three (3) most recent years audited financial reports or 10K.
  - b. The most recent quarterly Call Report (Consolidated Report of Condition and Income, FFIEC 031, Schedule RC only)
14. In the unlikely event that the Bank goes into receivership, could any deposit and/or security held by your financial institution on behalf of the Trustee become inaccessible to the Trustee? If so, explain the circumstances.
15. In the unlikely event that the Bank becomes insolvent, could some creditors, other than the Trustee, have a claim against any deposit and/or security held by the Bank on behalf of the Trustee? If so, explain circumstances.
16. Are there any merger or acquisitions currently under way that could have an effect on the Trustee's banking activity?
17. Describe the impact of a merger or an acquisition upon the Bank's relationship/contract with the County. In the event of such an occurrence, describe what efforts can be directed to minimize the impact on the County (i.e. maintaining account numbers, central vault operations, similar funds transfer procedures related to wires, ACH, and safekeeping).
18. Indicate whether there is any material, pending litigation against the Bank that could adversely affect its ability to meet the contract requirements of this RFP. Please explain any relevant details, and include an opinion of counsel addressing the extent of the impact on the Bank's ability to perform.
19. Indicate whether these are any pending or in progress Securities Exchange Commission investigations involving the Bank. Please explain any relevant details, and include an opinion of counsel addressing the extent of the impact on the Bank's ability to perform.

## SECTION XII: MISCELLANEOUS

### A. CONVERSION (if necessary)

1. List the documentation and the timeframe required to open the following accounts/ services for a January 1, 2015 implementation date:
  - a. Controlled disbursement accounts
  - b. Zero balance accounts
  - c. Demand deposit accounts
  - d. Trustee master deposit account
  - e. Internet Banking Services
  - f. ACH Services
2. Please describe how the Bank would assist the County in establishing ZBA and Controlled Disbursement accounts to transfer assets of the County to the Bank for each office as described on **Attachment G**. Specify costs for setup and supplies (if applicable) using the Conversion Guide in **Attachment G**. **The County would prefer these preliminary accounts be ready for operation 30 days in advance of the transfer date at no extra charge to the County.** All other DDA accounts will be scheduled for conversion within 30 days of the contract start date.
3. Indicate your plans for education and training of County employees in the use of the Bank's systems. If possible, the training should be conducted on-site with County employees and with County equipment at least 2 weeks prior to the implementation date.
4. Please indicate if third parties are involved with training or implementation. If so, describe their roles.
5. Please describe testing procedures to ensure that accounts are setup properly.
6. Does the Bank use a standardized checklist to ensure that accounts are established in a comprehensive manner (i.e. statements, images, chargeback processing, etc.)? If so, please provide a copy of the checklist. If not, will the Bank develop such a checklist and provide a copy to the County of the services established for each office?
7. Will the Bank meet regularly with the County to ensure optimum functionality for accounts and its on-line systems?

8. Describe the customer service/help desk services designed to assist the County with basic account services.
9. How does the Bank want to be notified of account changes (closings, authorized signers, etc.)?

**B. Bank Supplies**

1. Detail the operating supplies i.e., deposit slips, deposit bags, etc., provided by the Bank based on the volume as indicated in Section X: "Pricing". Will the Bank allocate a dollar amount of supplies each quarter at no charge to the County? If so, how much? Please include any cost figures in attachment H.
2. Describe the procedure the County must use to request or order additional supplies. How will the cost of those supplies be assessed? Can those charges be processed through Account Analysis? If so, when will the charges appear on the Analysis Statement? If not, how and when will the charges be presented to the County?

**C. Kiosks**

The Shelby County Trustee installed payment kiosks throughout the County in an effort to meet the growing demand for convenient tax collection sites on a year-round basis. The payment kiosks provide touch-screen services with audio instruction for tax inquiries and tax payments. A taxpayer may pay both county and municipal taxes simply by using a check or a credit card – no cash is accepted. If a taxpayer presents a check, it is immediately converted to an electronic image and returned to the taxpayer. Once a payment transaction is complete, a receipt is printed for the taxpayer.

These payment kiosks have proven to be a low-cost and efficient collection method for the County and taxpayer response has been enthusiastically positive. Unlike an ATM machine, there is no need for on-site reconciliation on a daily basis because all transactions are electronic. Data files and ACH files are processed from one location--the Trustee's main office. Required maintenance is minimal and performed by Trustee personnel on a periodic basis.

Based on the success of this collection method, the Trustee would like to extend this convenient service. To accomplish this objective, the Trustee is seeking to partner with an entity or institution committed to a strategy of community outreach that could include this type of public service. The primary requirements from a potential partner are simply: a) space inside a branch facility to accommodate the kiosk measuring 22.6" wide, 60.1" tall, 20" deep weighing 165 lbs and 2) DSL phone line connectivity (to be paid by the Trustee).

Please note that kiosk maintenance has proven to be minimal and occurs with little or no disruption to other on-site business. Maintenance activities will be performed on a periodic basis by the Trustee to ensure optimum functionality with little or no support from any on-site personnel.

Trustee's Office has placed two Kiosks in Bank of America branches and two in Bank of Bartlett branches. Please indicate if the Bank is willing to partner with the Trustee in this endeavor and specify potential branch locations where kiosk services might be made available to the community.

**D. Tax Collections at Branch Facilities**

For over a decade, the Trustee has worked diligently to provide various segments of the community with personalized service in regard to tax collections, tax assistance, and tax research. Even with the latest technology advances, many taxpayers still do not have access to computers and/or transportation. In such instances, the County's depository institution has often made resources (i.e. a desk at a local branch) available to assist with seasonal property tax collections from October through February. Please note that it is not the intent of the Trustee to utilize such a service more than one day a week at any one particular location during the tax season. Please indicate the bank's willingness to work with the Trustee to continue servicing the community in this manner at one or more branch locations. Please note the resources available along with any restrictions or limitations.

**E. Garnishment Payments to State of Tennessee**

As one of the largest employers in the state of Tennessee and as our various courts have a responsibility to collect garnishment payments, the County is required to remit these garnishment funds to the state on a regular basis. The current system involves a payment to the state followed by the supporting documentation. The payments are typically made via ACH and the documentation is supplied via other measures. In the past our offices have had difficulty insuring that the payments and corresponding documentation get matched up once received by the appropriate State office. Does the bank have a process or vehicle that would facilitate the efficient accomplishment of this obligation? If so, please describe.

**E. Community Reinvestment Act**

1. Provide a copy of your existing Community Reinvestment Act Policy statement and the most recent overall CRA rating, State rating and SMSA rating include the time period the rating is for. Also provide the back-up documentation of the review.

2. Provide statistical data for the 2013 calendar year that supports your CRA activity in **Shelby County only**.

<u>Loan Type</u>	<u>Count</u>	<u>Amount</u>
Total Home Loans		
Total Small Business Loans		
Total Consumer Lending		
Total Economic Development		
Total Performance		

3. Provide a listing of local community development projects/activities which the bank has undertaken in Shelby County for the 2013 calendar year.

<u>Name of Organization</u>	<u>Amount</u>
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### **SECTION XIII: PROPOSAL FOR ADDITIONAL SERVICES**

(The following information should be provided as **Attachment A**.)

The County would like the bidding Banks to offer any additional services or make recommendations it feels would enhance the cash management capabilities of the County. Bidding Banks should feel free to make suggestions or provide additional information not requested in this proposal.

Shelby County is very interested in using technology to provide more efficient services to our Elected Officials and Taxpayers. Over the last several years the Trustee has implemented cutting edge financial technology such as 'Check 21' and payee positive pay. In order to continue the forward thinking momentum we encourage each bidder to recommend services which they believe could enhance the Counties current banking functions. Please note that we are interested in any of the mobile banking applications that could be applied to the Trustee's collection and banking functions.

Additional services should be marked as **Attachment A**. These services should also be included in the "2014ProForma" table on the attached diskette/file as described in Section X "Pricing".

#### **SECTION XIV: CERTIFICATION OF BID**

(The following information should be provided as **Attachment B.**)

We have read the attached Sealed Bid and fully understand its intent. We certify that we have adequate personnel, equipment, and facilities to fulfill the proposal requirements.

We further verify that all questions have been answered as truthfully as possible in the format specified. In addition, all attachments are complete and included.

The following is the name, address, telephone number, email address and FAX number of the appropriate contact person:

Name and title of contact person  
Address  
Telephone Number  
FAX Number  
Email Address

Submitted by:

---

Authorized signature  
Name and Title  
Telephone Number  
Fax Number  
Email Address  
Date

#### **SECTION XV CONTRACT REQUIREMENTS**

The successful Proposer will be expected to enter into a contract incorporating the following terms and conditions, and such additional terms and conditions standard to services of this type.

##### **A. General Requirements**

1. Control. All services by the Consultant will be performed in a manner satisfactory to the County, and in accordance with the generally accepted business practices and procedures of the County.

2. Consultant's Personnel. The Consultant certifies that it presently has adequate qualified personnel to perform all services required under this Contract. All work under this Contract will be supervised by the Consultant. The Consultant further certifies that all of its employees assigned to serve the County have such knowledge and experience as required to perform the duties assigned to them. Any employee of the Consultant who, in the opinion of the County, is incompetent, or whose conduct becomes detrimental to the work, shall immediately be removed from association with services under this Contract.
3. Independent Status.
  - a. Nothing in this Contract shall be deemed to represent that the Consultant, or any of the Consultant's employees or agents, are the agents, representatives, or employees of the County. The Consultant will be an independent consultant over the details and means for performing its obligations under this Contract. Anything in this Contract which may appear to give County the right to direct the Consultant as to the details of the performance of its obligations under this Contract or to exercise a measure of control over the Consultant is solely for purposes of compliance with local, state and federal regulations and means that the Consultant will follow the desires of the County only as to the intended results of the scope of this Contract.
  - b. It is further expressly agreed and understood by Consultant that neither it nor its employees or agents are entitled to any benefits which normally accrue to employees of the County; that Consultant has been retained by the County to perform the services specified herein (not hired) and that the remuneration specified herein is considered fees for services performed (not wages) and that invoices submitted to the County by Consultant for services performed shall be on the Consultant's letterhead.
4. Termination or Abandonment.
  - a. It shall be cause for the immediate termination of this Contract if, after its execution, the County determines that either:
    - 1) The Consultant or any of its principals, partners or corporate officers, if a corporation, including the corporation itself, has plead nolo contendere, or has plead or been found guilty of a criminal violation, whether state or federal, involving, but not limited to, governmental sales or purchases, including but not limited to the rigging of bids, price fixing, or any other collusive and illegal activity pertaining to bidding and governmental contracting.



- 2) Consultant has subcontracted, assigned, delegated, or transferred its rights, obligations or interests under this Contract without the County's consent or approval.
    - 3) Consultant has filed bankruptcy, become insolvent or made an assignment for the benefit of creditors, or a receiver, or similar officer is appointed to take charge of all or part of Consultant assets.
  - b. The County may terminate the Contract upon five (5) days written notice by the County or its authorized agent to the Consultant for Consultant's failure to provide the services specified under this Contract.
  - c. This Contract may be terminated by either party by giving thirty (30) days written notice to the other, before the effective date of termination. In the event of such termination, the Consultant shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date; however, Consultant shall not be reimbursed for any anticipatory profits that have not been earned as of the date of termination.
  - d. All work accomplished by Consultant prior to the date of such termination shall be recorded and tangible work documents shall be transferred to and become the sole property of the County prior to payment for services rendered.
  - e. Notwithstanding the above, Consultant shall not be relieved of liability to the County for damages sustained by the County by virtue of any breach of the Contract by Consultant and the County may withhold any payments to Consultant for the purpose of setoff until such time as the exact amount of damages due the County from Consultant is determined.
5. Subcontracting, Assignment or Transfer. Any subcontracting, assignment, delegation or transfer of all or part of the rights, responsibilities, or interest of either party to this Contract is prohibited unless by written consent of the other party. No subcontracting, assignment, delegation or transfer shall relieve the Consultant from performance of its duties under this contract. The County shall not be responsible for the fulfillment of the Consultant's obligations to its transferors or subconsultants. Upon the request of the other party, the subcontracting, assigning, delegating or transferring party shall provide all documents evidencing the assignment.
6. Conflict Of Interest. The Consultant covenants that it has no public or private interest, and will not acquire directly or indirectly any interest which would conflict in any

manner with the performance of its services. The Consultant warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of the County as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subconsultant or consultant to the Consultant in connection with any work contemplated or performed relative to this Contract.

7. Covenant Against Contingent Fees. The Consultant warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Consultant, to solicit or secure this Contract, and that it has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Consultant any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, the County will have the right to recover the full amount of such fee, commission, percentage, brokerage fee, gift, or other consideration.
8. Employment Of County Workers. The Consultant will not engage, on a full or part-time, or other basis during the period of the Contract, any professional or technical personnel who are or have been at any time during the period of the Contract in the employ of the County.
9. Arbitration. Any dispute concerning a question of fact in connection with the work not disposed of by agreement between the Consultant and the County will be referred to the Shelby County Contract Administrator or his/her duly authorized representative, whose decision regarding same will be final.
10. General Compliance With Laws.
  - a. If required, the Consultant shall certify that it is qualified and duly licensed to do business in the State of Tennessee and that it will take such action as, from time to time, may be necessary to remain so qualified and it shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.
  - b. The Consultant is assumed to be familiar with and agrees that at all times it will observe and comply with all federal, state, and local laws, ordinances, and regulations in any manner affecting the conduct of the work. The preceding shall include, but is not limited to, compliance with all Equal Employment Opportunity laws, the Fair Labor Standards Act, Occupational Safety and Health Administration (OSHA) requirements, the Americans with Disabilities Act (ADA), and all state and local laws, rules and regulations pertaining to electrical requirements of residential construction and renovation.

- c. This Contract will be interpreted in accordance with the laws of the State of Tennessee. By execution of this contract the Consultant agrees that all actions, whether sounding in contract or in tort, relating to the validity, construction, interpretation and enforcement of this contract will be instituted and litigated in the courts of the State of Tennessee, located in Shelby County, Tennessee, and in no other. In accordance herewith, the parties to this contract submit to the jurisdiction of the courts of the State of Tennessee located in Shelby County, Tennessee.
11. Nondiscrimination. The Consultant hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Consultant on the grounds of handicap and/or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Consultant shall upon request show proof of such nondiscrimination, and shall post in conspicuous places available to all employees and applicants notices of nondiscrimination.
12. Entire Agreement. This Contract contains the entire Contract of the parties and there are no other promises or conditions in any other Contract whether oral or written. This Contract supersedes any prior written or oral Contracts between the parties.
13. Amendment. This Contract may be modified or amended, only if the amendment is made in writing and is signed by both parties.
14. Severability. If any provision of this Contract is held to be unlawful, invalid or unenforceable under any present or future laws, such provision shall be fully severable; and this Contract shall then be construed and enforced as if such unlawful, invalid or unenforceable provision had not been a part hereof. The remaining provisions of this Contract shall remain in full force and effect and shall not be affected by such unlawful, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such unlawful, invalid, or unenforceable provision, there shall be added automatically as a part of this Contract a provision as similar in terms to such unlawful, invalid or unenforceable provision as may be possible, and be legal, valid and enforceable.
15. No Waiver Of Contractual Right. No waiver of any term, condition, default, or breach of this Contract, or of any document executed pursuant hereto, shall be effective unless in writing and executed by the party making such waiver; and no such waiver shall operate as a waiver of either (a) such term, condition, default, or breach on any other occasion or (b) any other term, condition, default, or breach of this Contract or of such document. No delay or failure to enforce any provision in this Contract or in any

document executed pursuant hereto shall operate as a waiver of such provision or any other provision herein or in any document related hereto. The enforcement by any party of any right or remedy it may have under this Contract or applicable law shall not be deemed an election of remedies or otherwise prevent such party from enforcement of one or more other remedies at any time.

16. Matters To Be Disregarded. The titles of the several sections, subsections, and paragraphs set forth in this contract are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this contract.
17. Subject To Funding. This Contract is subject to annual appropriations of funds by the Shelby County Government. In the event sufficient funds for this Contract are not appropriated by Shelby County Government for any of its fiscal period during the term hereof, then this Contract will be terminated. In the event of such termination, the consultant shall be entitled to receive just and equitable compensation for any satisfactory work performed as of the termination date.
18. Travel Expenses. All travel expenses payable under this Contract shall be in accordance with the County Travel Policy and Procedures. This includes advance written travel authorization, submission of travel claims, documentation requirements, and reimbursement rates. No travel advances will be made by the County.
20. Incorporation Of Other Documents
  - a. Consultant shall provide services pursuant to this Contract in accordance with the terms and conditions set forth within the Shelby County Request for the Shelby County Purchasing Department and incorporated herein by reference.
  - b. It is understood and agreed between the parties that in the event of a variance between the terms and conditions of this Contract and any amendment thereto, including ancillary agreements for miscellaneous bank services, and the terms and conditions contained either within the Request for Proposals/Bids or the Response thereto, the terms and conditions of this Contract as well as any amendment shall take precedence and control the relationship and understanding of the parties.
21. Contracting With Small And Minority Firms And Women's Business Enterprise. The Consultant shall take affirmative action to assure that Small and Minority Businesses are utilized when possible as sources of supplies, equipment, construction and services and will in addition take similar appropriate affirmative action in support of Women's Business Enterprises.

22. Incorporation Of Whereas Clauses. The foregoing whereas clauses are hereby incorporated into this Contract and made a part hereof.
23. Waiver Of Proprietary Interest. Notwithstanding anything to the contrary contained herein or within any other document supplied to County by Consultant, Consultant understands and acknowledges that County is a governmental entity subject to the laws of the State of Tennessee and that any reports, data or other information supplied to County by Consultant due to services performed pursuant to this Contract is subject to being disclosed as a public record in accordance with the laws of the State of Tennessee.
24. Organization Status And Authority.
- a. Consultant represents and warrants that it is a corporation, limited liability company, partnership, or other entity duly organized, validly existing and in good standing under the laws of the state of Tennessee; it has the power and authority to own its properties and assets and is duly qualified to carry on its business in every jurisdiction wherein such qualification is necessary.
  - b. The execution, delivery and performance of this Contract by the Consultant has been duly authorized by all requisite action and will not violate any provision of law, any order of any court or other agency of government, the organizational documents of Consultant, any provision of any indenture, agreement or other instrument to which Consultant is a party, or by which Consultant's respective properties or assets are bound, or be in conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under any such indenture, agreement or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the properties or assets.
25. Warranty. Consultant warrants to County that all Services shall be in strict compliance with the terms of this Contract, and all applicable governmental laws, rules and regulations.
26. Rights in Data. The County shall become the owner, and Consultant shall be required to grant to the County, or its successors, a perpetual, non-exclusive, non-transferable, royalty-free right, in the County's name, to use any deliverables provided by the Consultant under this Contract, regardless of whether they are proprietary to the Consultant or to any third parties.
27. Consultant Responsibilities.

## **B. INDEMNIFICATION AND INSURANCE REQUIREMENTS**

### **1. Responsibilities For Claims And Liabilities.**

- a. Consultant shall indemnify, defend, save and hold harmless the County, and its elected officials, officers, employees, agents, assigns, and instrumentalities from and against any and all claims, liability, losses or damages—including but not limited to Title VII and 42 USC 1983 prohibited acts—arising out of or resulting from any conduct; whether actions or omissions; whether intentional, unintentional, or negligent; whether legal or illegal; or otherwise that occur in connection with or in breach of this Contract or in the performance of the duties hereunder, whether performed by the Consultant its subconsultants, agents, employees or assigns. This indemnification shall survive the termination or conclusion of this Contract.
- b. Consultant expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by the Consultant shall in no way limit the responsibility to indemnify, defend, save and hold harmless the County or its elected officials, officers, employees, agents, assigns, and instrumentalities as herein provided.
- c. The County has no obligation to provide legal counsel or defense to Consultant or its subconsultants in the event that a suit, claim or action of any character is brought by any person not party to this Contract against Consultant as a result of or relating to obligations under this Contract.
- d. Except as expressly provided herein, the County has no obligation for the payment of any judgment or the settlement of any claims against Consultant as a result of or relating to obligations under this Contract.
- e. Consultant shall immediately notify the County, c/o Shelby County Government, Contracts Administration, 160 N. Main Street, Suite 950, Memphis, TN 38103, of any claim or suit made or filed against Consultant or its subconsultants regarding any matter resulting from or relating to Consultant's obligations under this Contract and will cooperate, assist and consult with the County in the defense or investigation thereof.
- f. The Provider shall immediately notify Shelby County Government, Contracts Administration, 160 N. Main Street, Suite 950, Memphis, TN 38103 of cancellation or changes in any of the insurance coverage required and provide evidence of replacement coverage with no lapse.

2. Insurance Requirements. Consultant must provide evidence of the following minimum insurance coverage:
- a. Bankers Professional Liability - coverage with minimum limit of \$50,000,000.00
  - b. Commercial General Liability - Minimum limit of \$1,000,000.00 per occurrence single limit for bodily injury and property damage; \$1,000,000 personal and advertising injury/\$2,000,000 General Aggregate/\$2,000,000 Products-Completed Operations Aggregate. Shelby County Government, its elected officials, appointees, employees and members of boards, agencies, and commissions shall be named as additional insureds. The insurance shall include coverage for the following:
    - a) Premises/Operations
    - b) Products/Completed Operations
    - c) Contractual Liability
    - d) Independent Contractors
    - e) Broad Form Property Damage
    - f) Personal Injury
    - g) Cyber Liability
  - c. Worker's Compensation –Coverage for all its eligible employees in accordance with the laws of the State of Tennessee, including Employers' Liability with \$1,000,000 limit.
  - d. Automobile liability - Minimum limit of \$1,000,000.00 per occurrence on all owned, hired and non-owned autos. Shelby County Government, its elected officials, appointees, employees and members of boards, agencies, and commissions to be named additional insureds.
  - e. Financial Institution Bond – minimum limit of \$100,000,000; maximum retention \$10,000,000.

All insurance companies providing coverage required shall be rated A+ or better by A. M. Best & Co. All policies will provide for 30 days written notice to Shelby County of cancellation of coverage provided. If the insurer is not required by the policy terms and conditions to provide written notice of cancellation to Shelby County, the Provider will provide immediate notice to Shelby County and evidence of replacement coverage with no lapse.

All insurance policies and coverage maintained by the Provider shall provide that insurance as applying to Shelby County shall be primary and non-contributing irrespective of such insurance or self-insurance as Shelby County may maintain in its own name and on its own behalf.

**C. Right to Monitor and Audit**

Access To Records. During all phases of the work and services to be provided hereunder Consultant agrees to permit duly authorized agents and employees of the County, to enter Consultant's offices for the purpose of inspections, reviews and audits during normal working hours. Reviews may also be accomplished at meetings that are arranged at mutually agreeable times and places. The Consultant will maintain all books, documents, papers, accounting records, and other evidence pertaining to the fee paid under this Contract and make such materials available at their offices at all reasonable times during the period of this Contract and for three (3) years from the date of payment under this Contract for inspection by the County or by any other governmental entity or agency participating in the funding of this Contract, or any authorized agents thereof; copies of said records to be furnished if requested.

**SECTION XVI. PROPOSAL SUBMISSION**

**A. GENERAL**

1. All interested and qualified Proposers are invited to submit a proposal for consideration. Submission of a proposal indicates that the Proposer has read and understands this entire RFP, including all attachments, exhibits, schedules, and addenda (as applicable) and all concerns regarding this RFP have been satisfied.
2. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc. are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
3. Proposals must be complete in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.
4. **Proposals must be received by no later than 4:00 pm on Friday, September 5, 2014, at Shelby County Government Purchasing Department, 160 N. Main St., Suite 900, Memphis, TN 38103.**



5. Proposer agrees to provide County with any additional information it deems necessary to accurately determine ability to perform the services proposed. Furthermore, submission of this proposal constitutes permission by this organization for the County to verify all information contained in the proposal. Failure to comply with any request for additional information may disqualify this organization from further consideration. Such additional information may include evidence of financial ability to perform.

## **B. PROPOSAL PRESENTATION**

1. An original and five (5) copies of the written proposal are required.
2. The package containing the original and copies must be sealed and marked with the Proposer's name and **"BANKING SERVICES, RFP #15-007-09"**
3. Proposals must be in ink. Erasures and "white-out" are not permitted. Mistakes may be crossed out, corrections typed adjacent and initialed in ink by the person signing the proposal. Please identify all attachments, literature and samples, etc., with your firm name and our bid number.
4. Proposals must be verified before submission as they cannot be withdrawn or corrected after being opened. The County will not be responsible for errors or omissions on the part of bidders in making up their proposals. A responsible officer or employee must sign proposals. Tennessee sales tax shall not be included in the Consultant's proposal.

## **C. PROPOSAL FORMAT**

Response to this RFP must be in the form of a proposal package that must be submitted in the following format:

1. Cover Page – Submit a letter, on letterhead stationery, signed by a duly authorized officer, employee, or agent of the organization/firm submitting the proposal that must include the following information:
  - a. A statement that the proposal is being submitted in response to the **Request for Proposal – Banking Services, RFP #15-007-09.**
  - b. A statement indicating which individuals, by name, title, address, telephone number, and signature are authorized to negotiate with the County on behalf of the organization/firm.

c. A statement certifying that:

- 1) The Proposer's signatory is an agent authorized to submit proposals on behalf of the organization/firm;
- 2) All declarations in the proposal and attachments are true to the best of reasonable knowledge;
- 3) All aspects of the proposal, including cost, have been determined independently, without consultation with any other prospective Proposer or competitor for the purpose of restricting competition;
- 4) The offer made in the proposal is firm and binding for 180 days after receipt of the proposal by the County; and
- 5) All aspects of this RFP and the proposal submitted are binding for the duration if this proposal is selected and a contract awarded.

2. Company Information and Experience

The following information must be submitted as a part of the proposal in Section XII: "ORGANIZATION & EXPERIENCE":

- a. Demonstrated experience as a provider of banking services.
- b. Names of specific individuals who would be committed to this project and document their experience or similar projects. This should include both prime consultant and sub-consultant staff.
- c. Describe at least three (3) instances in which the bank has demonstrated its ability to service an account relationship similar to that of Shelby County in size and complexity. Include the type of industry, the services provided, the length of the service.
- d. A commitment to assist the County with the conversion schedule (if necessary) based on the information provided in the RFP as described in Section XIII.A.: "Conversion".
- e. Submit your proposed cost for banking services as outlined in this RFP.
- f. Provide information in Section VIII for "GENERAL BANKING SERVICES" regarding any proprietary software you will use to complete the Project.
- g. Any additional information about your firm that you consider relevant for consideration by Shelby County Government.

## **SECTION XVII. PROPOSAL EVALUATION AND SELECTION**

### **A. EVALUATION PROCESS**

1. Initial Review – All proposals will be initially evaluated to determine if they meet the following minimum requirements:
  - a. The proposal must be complete, in the required format, and be in compliance with all the requirements of the RFP. The County reserves the right to request any organization submitting a bid to clarify its proposal or to supply additional material deemed necessary to assist in the selection of a bank, and to modify or alter any or all of the requirements herein. In the event that bid guidelines change materially, all respondents who submit a bid will be given an opportunity to modify their bid in the specific areas that are impacted.
  - b. Proposers must meet the Minimum Proposer Requirements outlined in Section II of this RFP.
2. Presentations- Proposals meeting the above requirements will be evaluated on the basis of the following criteria:
  - a. Each proposal may be reviewed by the Shelby County Trustee and the Shelby County Trustee may elect to schedule a presentation and interview with one or more of the bidders. After the review process is completed, this committee along with the Accounting and Banking Director will recommend the successful bidder to the Board of Commissioners with a contract award subject to the approval of the Mayor and the Board of County Commissioners.
  - b. All proposals submitted in response to this RFP will be evaluated based on the following criteria:
    - 1) Ability of the Proposer to meet the Minimum Requirements in Section II.
    - 2) Ability of the Proposer to meet all the Requirements of the RFP.
    - 3) Financial condition of the bank based on financial statements for the last three (3) years.
    - 4) Quality of previous service to other public entities and/or private sector clients.
    - 5) Quality and conciseness of bids.
    - 6) Information gathered from presentations (if requested) as described in Section X.A.2.a.

7) Proposed fees and compensation.

3. Proposals will be scored by the Evaluation Team, made up of three or more Trustee employees. Each will independently evaluate and score the responses to each item. Each evaluator will use the following whole number point scale for the scoring of each item:

**0 = no value    1 = poor    2 = fair    3 = satisfactory    4 = good    5 = excellent**

The Item Scores will be multiplied by the associated Evaluation Factor (indicating the relative importance of the item). The resulting figure will be the item's weighted score for purposes of tabulating the various section scores as indicated.

**B. SELECTION**

Selection will be based on determination of which proposal best meets the needs of the County and the requirements of this RFP. Specifically, a recommendation will be based on the "bank(s) making the highest and best bid to pay interest/earnings on daily balances of the county's funds, considering the lowest service charges, and considering other factors such as safety and liquidity" (TCA 5-8-201).

**C. ORAL PRESENTATION**

The Shelby County Government reserves the right to interview, or require an oral presentation from, any respondent for clarification of information set forth in the proposer's response. In this regard, at the discretion of the evaluation committee, some or all proposers who submit a proposal in response to this RFP may be asked to submit to an interview or give an oral presentation of their respective proposals to the evaluation committee. If so, this is not to be a presentation restating the proposal, but rather an in-depth analysis of certain qualifications of the proposer. The interview or oral presentation, if utilized, is intended to provide an opportunity for the proposer to clarify or elaborate on its qualifications without restating the proposal. The interview or oral presentation is to be a fact finding and explanation session only and is not to be used to negotiate any terms of contract. If required, the time and location of such interview or oral presentation will be scheduled by the Administrator of Purchasing. Interviews and oral presentations are strictly an option of the Shelby County Government or its evaluation committee and, consequently, may or may not be conducted. All travel expenses to and from the interview or oral presentation shall be the responsibility of the Proposer. Selection will be based on determination of which proposal best meets the needs of the County and the requirements of this RFP.

D. CONTRACT AWARD

**Contract(s) will be awarded based on a competitive selection of proposals received. The contents of the proposal of the successful Proposer will become contractual obligations and failure to accept these obligations in a contractual agreement may result in cancellation of the award. The County reserves the right to negotiate any portions of the successful Proposer's fees and scope of work or utilize their own resources for such work. If a contract is not finalized within sixty (60) days, the County may open negotiations with other financial institutions.**

SECTION XVIII ATTACHMENTS

**ATTACHMENT A**

**PROPOSAL FOR ADDITIONAL SERVICES**

**ATTACHMENT B**  
**CERTIFICATION OF BID**

**ATTACHMENT C**  
**ADDITIONAL PRICING REQUIREMENTS**

Please detail any additional pricing requirements that have not been previously addressed. Items listed below are detailed in the proposal and may need special consideration:



## **ATTACHMENT D**

### **EARNINGS CREDIT RATE & OVERNIGHT INVESTMENT RATE**

1. The **Earnings Credit Rate** used to calculate monthly compensating balance: (Note: the benchmark for the calculation of the earnings credit allowance (ECA) must be based on a rate which is published in the Wall Street Journal or comparable source. The earnings credit allowance (ECA) must also include a floor to be applied any time the calculated rate drops below the floor. This floor is to be determined by the proposing bank and should remain constant for the term of the contract. Please identify the floor rate in terms of 'basis points', and place on attachment H.
  
2. The **Overnight Rate** on collected funds will be calculated on the:

## **ATTACHMENT E**

### **AVERAGE BANK BALANCES** (Collected Balances May 2013 – April 2014)

<u>ACCOUNT NAME</u>	<u>AVERAGE BALANCE</u>
Shelby County Pooled Balances	\$ 213,575,496
<b>Pool Balances include but are not limited to the following:</b>	
Shelby County Trustee Concentration Account	\$ 32,995,748
Shelby County Board Of Education Payroll Account	\$ 2,977,738
Shelby County Division of Corrections Inmate Trust Account	\$ 378,289
Shelby County Government Payroll Account	\$ 38,174

## ATTACHMENT F

### Shelby County Trustee Positive Pay Summary May 2013 to April 2014

	<u>ITEM COUNT</u>	<u>TOTAL AMOUNT</u>
<b>Circuit Court</b>	3,970	\$11,521,417
<b>County Schools</b>	30,476	\$346,988,926
<b>County Schools P/R</b>	N/A	Converted 100% to direct deposit
<b>County Clerk</b>	2,289	\$94,319,701
<b>Criminal Court</b>	969	\$8,231,961
<b>General Sessions -Civil</b>	7,830	\$26,991,439
<b>General Sessions- Criminal</b>	2,210	\$11,727,555
<b>Law Library</b>	242	\$248,881
<b>Shelby County General Fund</b>	40,038	\$174,261,418
<b>Probate Court Clerk</b>	1,881	\$13,743,940
<b>Register</b>	73	\$22,786,117
<b>Trustee</b>	3,994	\$26,114,098
<b>Shelby County P/R</b>	N/A	Converted 100% to direct deposit
<b>Chancery Court</b>	1,176	\$11,608,911
<b>Juvenile</b>	1,153	\$2,626,636
<b>Sheriff</b>	637	\$1,075,244
<b>District Attorney</b>	<u>483</u>	<u>\$1,074,336</u>
<b>Total</b>	<b>97,421</b>	<b>\$753,320,580</b>

## ATTACHMENT G

### BANK CONVERSION GUIDE

(Initial Conversion of ZBA & CDA accounts)

<u>Department</u>	<u>Account Name</u>	<u>Acct Type</u>	<u>Sub Acct</u>	<u>Deposit Tickets Needed</u>	<u>Deposit Stamps Needed</u>	<u>Check Type</u>	<u>Parts / Check</u>	<u>Annual Usage</u>	<u>Check Vendor</u>
<b>District Attorney General</b>	Relocation Fund	CDA	n/a	n/a	n/a	3-to-page	1	4	Bank Vendor
<b>Law Library</b>	Law Library	CDA	n/a	n/a	n/a	3-to-page	1	216	Bank Vendor
<b>Shelby County Board of Education</b>	Shelby County Board of Education	ZBA	No	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby County Board of Education (payroll)	DDA	No	Yes	Yes	Laser	1	0	McCormick
	General Fund	CDA	n/a	n/a	n/a	Laser	1	26,221	Sungard
<b>Shelby County Government - Finance</b>	Shelby County Government	ZBA	No	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby County Government (payroll)	DDA	No	Yes	Yes	Laser	1	180	County Vendor
	General Fund	CDA	n/a	n/a	n/a	Laser	1	40,300	Sungard
<b>Shelby County Chancery Court Clerk</b>	Shelby County Chancery Court Clerk	ZBA	No	Yes	Yes	n/a	n/a	n/a	n/a
	Tax Sales	CDA	n/a	n/a	n/a	Laser	1	3	McCormick
	General	CDA	n/a	n/a	n/a	Laser	1	1,058	McCormick
	Fund Account	CDA	n/a	n/a	n/a	3-to-page	1	33	Bank Vendor
	Operating Account	CDA	n/a	n/a	n/a	3-to-page	1	12	Bank Vendor
<b>Shelby County Circuit Court Clerk</b>	Shelby County Circuit Court Clerk	ZBA	2	Yes	Yes	n/a	n/a	n/a	n/a
	Wage Assignment	CDA	n/a	n/a	n/a	3-to-page	1	2,126	McCormick
	General	CDA	n/a	n/a	n/a	Laser	1	1,841	Safechecks
<b>Shelby County Clerk</b>	Shelby County Clerk	ZBA	No	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby County Clerk (1 acct. 2 check styles)	CDA	n/a	n/a	n/a	Laser	1	2,289	Bank Vendor

<b>Shelby County Criminal Court Clerk</b>	Shelby County Criminal Court Clerk	ZBA	2	Yes	Yes	n/a	n/a	n/a	n/a
	Clerk Acct	CDA	n/a	n/a	n/a	3-to-page	1	730	Bank Vendor
	Appearance Bond Acct	CDA	n/a	n/a	n/a	3-to-page	1	211	Bank Vendor
<b>Gen Sessions -- Civil Division</b>	Shelby Co Gen Sessions -- Civil Division	ZBA	no	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby Co Gen Sessions -- Civil Division	CDA	n/a	n/a	n/a	Laser	1	7,830	Safechecks
<b>Gen Sessions -- Criminal Division</b>	Shelby Co Gen Sessions -- Criminal Division	ZBA	no	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby Co Gen Sessions -- Criminal Division	CDA	n/a	n/a	n/a	Laser	1	2,210	Bank Vendor
<b>Shelby County Juvenile Court Clerk</b>	Shelby County Juvenile Court Clerk of Court	ZBA	2	Yes	Yes	n/a	n/a	n/a	n/a
	Operating Acct	CDA	n/a	n/a	n/a	3-to-page	1	180	Bank Vendor
	General Welfare	CDA	n/a	n/a	n/a	3-to-page	1	708	Bank Vendor
<b>Shelby County Probate Clerk</b>	Shelby County Probate Clerk	ZBA	2	Yes	Yes	n/a	n/a	n/a	n/a
	Cost Account	CDA	n/a	n/a	n/a	Laser	1	342	Bank Vendor
	Fund Account	CDA	n/a	n/a	n/a	Laser	1	977	Bank Vendor
<b>Shelby County Register</b>	Shelby County Register	ZBA	no	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby County Register	CDA	n/a	n/a	n/a	3-to-page	1	73	Bank Vendor
<b>Shelby County Sheriff</b>	Shelby County Sheriff	ZBA	8	Yes	Yes	n/a	n/a	n/a	n/a
	Escrow Acct	CDA	n/a	n/a	n/a	3-to-page	1	89	Bank Vendor
	Petty Cash Acct	CDA	n/a	n/a	n/a	Voucher	2	548	Bank Vendor
<b>Shelby County Trustee</b>	Shelby County Trustee	MASTER	no	Yes	Yes	n/a	n/a	n/a	n/a
	Shelby County Trustee	CDA	n/a	n/a	n/a	Laser	1	5,654	Safechecks
	Shelby County Trustee-DAG	CDA	n/a	n/a	n/a	Laser	1	483	Safechecks
	Kiosk Test Account	DDA				1 Chk Carbon	2		Bank Vendor
<b>Shelby County Div of Corrections</b>	Inmate Trust Acct	DDA	n/a	Yes	Yes	Continuous	2		

## ATTACHMENT H

Pricing Proforma

RFP # \_\_\_\_\_

	(Average)		Per Unit	Monthly	Compensating	Standard		Discount
<u>Core Services</u>	<u>Monthly</u>	<u>Unit</u>	<u>Cost</u>	<u>Estimate</u>	<u>Balance</u>	<u>Pricing</u>	<u>Difference</u>	<u>%</u>
	<u>Volume</u>							
ACH 3rd Party Payroll Input	23	Batch						
ACH 3rd Party Payroll Mo. Maint.	5	Account						
ACH Alert Acct. Fee	50	Account						
ACH Auto Redeposit Per Item	26	Item						
ACH Credit Transact	43,244	Item						
ACH Data Transmission Per File	57	Batch						
ACH Debit Transact	4,093	Item						
ACH Direct Transmis Mo Maint	6	Account						
ACH Notification of Change	29	Item						
ACH Returns	47	Item						
ACH Transact Add Delete	1	Transactions						
ACH Transact Reversal	26	Transactions						
		Bundles /						
Branch Cash Order Per Strap	15	Straps						
Branch Cash Order special	8	Request						
Branch Cash Order Standing	1	Request						
Branch Coin Order Per Roll	83	Request						
Branch Dep Per \$100	2,386	Per \$100						
Checks Paid-Debits	11,747	Item						
Control Disburse Monthly Maint	26	Account						
Control Disbursement Checks Pd	8,346	Item						
Deposit Item Imaging Mo. Maint.	1	Account						
Deposits-Credits	4,361	Item						
Electronic Credits	1,376	Item						
Electronic Debits	436	Item						
EPA Debit Auth Mo Fee Per Acct	2	Account						
Exp Courier Handling Fee - Us	1	Request						
Imaging - Encryption Per CD	7	Account						
Imaging Monthly Maint.	39	Account						
Imaging Per Item Fee	11,246	Item						
Imaging Via CD-ROM	11	Account						

	(Average)							
<u>Core Services</u>	<u>Monthly</u>	<u>Unit</u>	<u>Per Unit</u>	<u>Monthly</u>	<u>Compensating</u>	<u>Standard</u>		<u>Discount</u>
	<u>Volume</u>		<u>Cost</u>	<u>Estimate</u>	<u>Balance</u>	<u>Pricing</u>	<u>Difference</u>	<u>%</u>
Integrated Payables (IP) - ACH Online presentment	25	Item						
IP - Additional Pages (per page)	43	Item						
IP - Check Pull - Per check	186	Item						
IP - Check Pull File Fee	9	Request						
IP - Check to ACH Conversion	400	Item						
IP - Check/ACH Print-1st page	4,201	Item						
IP - Monthly Fee	2	Account						
IP - Positive Pay File Creation	4,161	Item						
IP - Postage (Pass-through) ** Explicit Charge **	2	Account						
IP - Postage Presort	5,000	Item						
IP - Vendor Enrollment	4	Transactions						
Items Deposited Local	1,292	Item						
Items Deposited On Us	10,421	Item						
Items Deposited Other Fed	34,032	Item						
Items Deposited Regional	11,277	Item						
ITR ACH Per Batch	43	Batch						
ITR Detail Trans per item	30,000	Item						
ITR EDI Report	1	Account						
ITR Quicken Quickbooks - Mo. Maint	1	Account						
ITR Return Deposit Item (RDI) Report	1	Account						
On-line ACH Mo Maint Fee	1	Account						
On-line BAI Export- Mo. Maint	1	Account						
On-line Current Day info	61	Daily Report						
On-line Internal Wire Trnsfr	2	Request						
On-line Outgoing Domest Wire	84	Item						
On-line Previous Day info	61	Daily Report						
On-line Stop Payment Mo Maint	52	Request						
On-line Wire Orig. Maint.	1	Account						
On-line-Monthly per user fee	74	User						
On-line-Pos Pay Monthly Maint.	1	Account						
Misc Debits & Credits - Mo. Maint.	1	Account						
Next Day Pos Pay Monthly Maintenance	14	Account						
Next Day Pos Pay Per Item	8,408	Item						

	(Average)							
<u>Core Services</u>	<u>Monthly</u>	<u>Unit</u>	<u>Per Unit</u>	<u>Monthly</u>	<u>Compensating</u>	<u>Standard</u>		<u>Discount</u>
	<u>Volume</u>		<u>Cost</u>	<u>Estimate</u>	<u>Balance</u>	<u>Pricing</u>	<u>Difference</u>	<u>%</u>
NOC Auto Corrections	8	Transactions						
Non-Customer Check Cashing Fee	724	Item						
Positive Pay - Payee Name Verification Per Item	6,742	Item						
Payment File Fee	27	Batch						
Pos Pay - w/No Recon Mo Maint	18	Account						
Pos Pay - w/No Recon Per Item	3,074	Item						
POS PAY Online Rptg.	19	Daily Report						
PosPay Exception Rptg.	29	Item						
Remote Dep Mo Maint Per Wkst	8	Account						
Remote Deposit Local Items	42	Item						
Remote Deposit On Us Items	84	Item						
Remote Deposit Other Fed Items	538	Item						
Remote Deposit Regional Items	139	Item						
Recon - Input Output per Transmission	47	Transactions						
Recon-Deposit Reconciliation	5	Account						
Recon-Deposit Reconciliation Per Item	2,962	Item						
On-line BAI	49	Daily Report						
On-line CD FTP	49	Daily Report						
On-line PD Desktop	49	Daily Report						
REPO Confirmation - Mo. Maint.	1	Account						
Return Item	131	Item						
Return Items Special Handling	50	Item						
Stop Payment On Line	45	Item						
Trust Dept Custody Fee	1	Account						
Vault Cash Order Memphis	53	Item						
Vault Dep Error Correction	99	Item						
Vault Dep Notify Mail/Phone	9	Item						
Vault Dep Per \$100 Curr Stand Memphis	39,118	Per \$100						
Vault Order Coin Per Roll Memphis	130	Request Bundles /						
Vault Order Std Strap Memphis	334	Straps Bundles /						
Vault Supply Money Straps	2	Straps						
Deposit Slips	400	Item						
Deposit Bags	400	Item						



	(Average)							
<u>Core Services</u>	<u>Monthly</u>	<u>Unit</u>	<u>Per Unit</u>	<u>Monthly</u>	<u>Compensating</u>	<u>Standard</u>		<u>Discount</u>
	<u>Volume</u>		<u>Cost</u>	<u>Estimate</u>	<u>Balance</u>	<u>Pricing</u>	<u>Difference</u>	<u>%</u>
Wire Incoming	33	Wire						
LockBox Check Image	104	Wire						
LockBox Document Image	251	Wire						
Lock Box Image CD	1	Disk						
LockBox Image Monthly Maintenance	1	Account						
LockBox Monthly Maintenance	1	Account						
LockBox Per Item Fee	106	Item						
LockBox Return Mail Fee	1	Item						
ZBA Master Mo Maint	1	Account						
ZBA Sub Acct Mo Maint	13	Sub Account						
Image Deposited Items - ICL	9,280	Transactions						
Image Maintenance ICL	1	Account						
Image Archive - 90 Days	9,280	Transactions						
EDI Services - PAYMODE CON Monthly Lic.	1	Account						
EDI Services - PAYMODE CON Transactions	9,280	Transactions						

#### Cost reference page and item #

Page 15, Account Reconciliation - item #1

Page 15, Output Media - item #2

Page 16, Cost of images - item #5

Page 19, Deposit Bags - item #1

Page 19, Cash Straps and coin wrappers -  
item #4

Page 22, Cost of ACH vs. On-line book  
entry

Page 23, Pricing for remote capture

Page 24, Bill Validating Safes

Page 24, LockBox service

Page 28, Misc. control disbursement costs

Page 31, Costs for cashing Shelby County  
checks.

Page 36, Incoming domestic vs.  
international wire

Page 36, Intra-day book transfers - item #1

Page 47, Custodial Functions - safekeeping

Cost of School Activity Accounts	215	Accounts
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## ATTACHMENT I

Input 156		Positive Pay		
File Format:				
Format:	Fixed			
Record Length:	77			
Ascii:	Y			
Issue Record Format:				
	Starting Position	Field Length	Data Format	Comments
Account Number	1	10	Numeric	RJZF
Serial Number	11	10	Numeric	RJZF
Amount	21	10	Numeric	Implied Dec 2 places RJZF
Issue Date	31	6	Date	MMDDYY
Payee Name	37	40	Character	LJSF
Transaction Code	77	1	Character	Anything other than "V"
Void Record Format:				
	Starting Position	Field Length	Data Format	Comments
Account Number	1	10	Numeric	RJZF
Serial Number	11	10	Numeric	RJZF
Amount	21	10	Numeric	Implied Dec 2 places RJZF
Issue Date	31	6	Date	MMDDYY
Payee Name	37	40	Character	LJSF
Transaction Code	77	1	Character	"V"

Cleared Checks				
File Format:				
Format:	FLAT			
Record Length:	32			
Issue Record Format:				
	Starting Position	Field Length	Data Format	Comments
Organization #	1	3	Numeric	RJZF
Check #	4	8	Numeric	RJZF
Cleared Date	12	6	Date	MMDDYY
Check Amount	18	12 (2)	Numeric	Implied Dec 2 places RJZF
Code (AP)	30	2	Alpha	LJSF

## ATTACHMENT J

### ACH FILE STRUCTURE

The ACH format is fixed length ASCII, record length 94, Block 10. The file layout is as follows:

**File Header Record**  
**Batch Header Record**  
**Detail Records**  
**Batch Control Record**  
**File Control Record**

A single file can contain multiple batches, in which case a batch header record will immediately follow the batch control record of the proceeding batch.

#### Field Inclusion Requirements:

Each field in each record is designated as mandatory, required or optional (M, R or O). For purposes of processing ACH format files, these terms are defined as follows:

**Mandatory** - The omission of a mandatory field will cause the entry, batch or file to reject at the originating depository financial institution (ODFI) and will be returned to the originator. Mandatory fields ensure the correct routing and/or posting of individual ACH entries.

**Required** - The omission of a required field will not cause an entry to reject at the ODFI, but may cause the entry, batch or file to reject at the receiving depository financial institution (RDFI). Required fields should be included to avoid processing problems at the RDFI.

**Optional** - Inclusion or omission of optional fields is entirely at the discretion of the origination entity.

## FILE HEADER RECORD

### ('1' record)

The file header fields designate physical file characteristics and identify the origin (sending point) and destination (receiving point) of the entries contained in the file. The file header also includes creation date and time fields which can be used to uniquely identify a file. Files originated through Regions Bank should contain Regions transit routing number proceeded by a space in the immediate destination. The customers federal id number should be entered in the immediate origin field proceeded by a space.

Record Type Code:	_____	'1'
Priority Code:	_____	'01'
Immediate Destination:	_____	' 062000019
Immediate Origin:	_____	' Federal ID #' (proceeded by a predetermined alpha or numeric character)
File ID Modifier:	_____	'A'
Record Size:	_____	'094'
Blocking Factor:	_____	'10'
Format Code:	_____	'1'
Immediate Destination Name:	_____	'REGIONS BANK'
Reference Code:	_____	Blank (Space fill to 94 character length)

## BATCH HEADER RECORD

### ('5' Record)

The batch header record identifies the originating entity and the type of transactions contained in the batch (i.e., the standard entry class, PPD for consumer, CCD or CTX for corporate). This record also contains the effective date, or desired settlement date, for all entries contained in this batch. The settlement date field is not entered as it is determined by the ACH operator.

Record Type Code:	_____	'5'
Service Class Code:	_____	ACH Mixed Debits and Credits '200' ACH Credits Only '220' ACH Debits Only '225'
Company Name:	_____	The company originating the entries in the batch
Company Identification:	_____	The 9 digit FEIN number (proceeded by a predetermined alpha or numeric character) of the entity in the company name field
Standard Entry Class:	_____	'PPD' for consumer transactions, 'CCD' or 'CTX' for corporate
Company Entry Description:	_____	A description of the entries contained in the batch
Effective Entry Date:	_____	The date on which the entries are to settle

Settlement Date:	Leave blank, this field is inserted by the ACH operator
Originator Status Code:	'1'
Originating DFI Identification:	'First 8 digits of the originating DFI transit routing number, '06200001' for files originated through Regions Bank
Batch Number:	Sequential batch number, zero fill left

## ENTRY DETAIL RECORD (‘6’ Record)

The detail record contains the actual transaction data for an individual entry. Fields include those designating the entry as a deposit (credit) or withdrawal (debit), the transit routing number for the entry recipient’s financial institution, the account number (left justify, no zero fill), name, and dollar amount.

Record Type Code:	‘6’	
Transaction Code:	Credit (deposit) to checking account	‘22’
	Prenote for credit to checking account	‘23’
	Debit (withdrawal) to checking account	‘27’
	Prenote for debit to checking account	‘28’
	Credit to savings account	‘32’
	Prenote for credit to savings account	‘33’
	Debit to savings account	‘37’
	Prenote for debit to savings account	‘38’

Prenote entries are zero-dollar ACH entries which allow an originator to check the validity of its transaction (entry detail) data. RDFIs are required to notify the prenote originator of incorrect transaction data within six business days of the prenote effective date.

Receiving DFI Identification:	The first eight digits of the transit routing number for the transaction recipient’s financial institution
Check Digit:	The ninth digit of the transit routing number of the transaction recipient’s financial institution
DFI Account Number:	The account number of the consumer or corporate entity receiving the ACH entry (left justify, no zero fill)
Amount:	The dollar amount of the entry, decimal implied
Individual Name:	The name of the entry recipient
Addenda Record Indicator:	‘0’ for no addenda attached, ‘1’ for addenda attached
Trace Number:	This field is made up of the first eight digits of the originating DFI transit routing number and a seven-

digit (zero fill left) identifier (identifiers need to be sequential but must be ascending)

## **BATCH CONTROL (TRAILER) RECORD**

### **(‘8’ Record)**

This record contains entry counts, dollar total and has totals for all entries contained in the preceding batch.

Record Type Code:	‘8’
Service Class Code:	Must match same field from the immediately preceding batch header record
Entry/Addenda Count:	Total detail and addenda records in the <u>batch</u>
Entry Hash:	Hash totals are the sum of all transit routing numbers (first eight digits only) from each entry detail record in the <u>batch</u> , truncated from the higher order if necessary
Total Debit Amount:	Total debits in the batch, decimal implied
Total Credit Amount:	Total credits in the batch, decimal implied
Company Identification:	Must match the Company ID from the batch header record
Originating DFI Identification:	Must match same field from the batch header record
Batch Number:	Must match the same field from the batch header record

## **FILE CONTROL (TRAILER) RECORD**

### **(‘9’ Record)**

This record contains entry counts, dollar totals and hash totals accumulated from each batch control record in the file.

Record Type:	‘9’
Batch Count:	Total number of batches (i.e., ‘5’ records) in the file
Block Count:	Total number of records in the file (include all headers and trailer) divided by 10 (This number must be evenly divisible by 10. If not, additional records consisting of all 9’s are added to the file after the initial ‘9’ record to fill out the block 10.)
Entry Addenda Count:	Total detail and addenda records in the <u>file</u>
Entry Hash:	Calculated in the same manner as the batch has total but includes total from entire <u>file</u>
Total Debit Dollar Amount:	Total debits in the <u>file</u> , decimal implied
Total Credit Dollar Amount:	Total credits in the <u>file</u> , decimal implied